

How Good is your Data?

Bad data is the scourge of the membership organisation. For sustainable improvements in a competitive world it is essential to build on a solid foundation. This means accurate and complete information.

Like any business in the private sector, a membership organisation is subject to competitive pressures. With the cost of living on the rise and take-home pay eroded by higher direct taxation it is inevitable that many individuals will be looking to make cuts in their household budgets.

As a membership organisation it's your responsibility to ensure that, when the decision is made to cut, the axe doesn't fall on you. In essence this means giving your members more reasons to want to retain their membership than to let it lapse. It means being efficient, not missing opportunities, understanding your members' motivations and aspirations and giving them value for their annual subscription.

Efficiencies come in many guises: responding to member questions promptly, politely and accurately, delivering information in a timely and effective fashion, offering relevant and appropriate member benefits, promoting direct debit and much more.

Generally, improvements to performance for the membership organisation involve doing a lot of small things better. Motivated staff, good communications and reliable processes are all ingredients for a growing and successful organisation.

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However, one thing is absolutely certain: without accurate data and the ability to interpret data, all the improvements in the world are likely to crumble and turn to dust! In order to plan and develop strategies the integrity of information generated by your systems is essential. So, rather than react to circumstances and events, you take a proactive stance. This means using data analytically and driving policy and decisions according to the facts available.

Creating an environment in which this is possible should be a key objective of the ambitious membership organisation. It requires a reliable database system, sound processes and the ability to generate accurate and comprehensive reports.

The moral of the story is that if you wish to thrive in a competitive world you should make sure that you build on a solid foundation; without it improvements will be difficult, if not impossible, to sustain.



Are you paying too much for postage?

As postal charges rise again we examine some ways in which you may be able to make savings

In the good old days postage was a simple process. Our friends at the Post Office were the only real option and their services were pretty much limited to first and second-class post. How times have changed! Now there is a plethora of different services offered by the Royal Mail and a number of other service providers.

If you bulk mail over 4,000 items on a regular basis, particularly if this includes overseas destinations, it's certainly worth investigating the options.

In 2006 the Royal Mail changed the way it charged for postage and it has since been based on a calculation of size and weight with items being categorised as letters, large letters or packets. With first-class post now a whopping 46p for a standard size letter, postage costs are a major consideration for most membership organisations.

There are so many options available now, through the Royal Mail and through third party mailing providers, that comparisons can be difficult to make. For example, although third party mailing companies offer very competitive pricing and often undercut the

Royal Mail, you will probably have to pay VAT on their service and may well find that their payment terms are more stringent.

Having said that, there are genuine savings to be made. From my experience the following areas are likely to offer you the easiest pickings:

Design: Even though the new Royal Mail pricing structure has been around now for five years it's surprising that so many regular newsletters, magazines and other communications are still produced and mailed as an A4, when a simple redesign could reduce the size to A5 and save up to 19p per item. (Before anyone points out that this newsletter is A4, I would riposte that we only mail 450 at a time and are prepared to accept the inflated price!).

Overseas: Perhaps the biggest savings are to be had with overseas mailings. The Royal Mail charges can be extremely high for bulk overseas mailings and consolidators are often far less expensive. We recently undertook a 10,000 mailing to the Far East, for which the Royal Mail wanted £1.79 per item whereas a consolidator gave us an almost identical service for less than 40p plus VAT per item. Quite a saving!

Printed Paper: There is a little known Royal Mail service called 'printed paper,' which allows you to send non-personalised items at a heavily discounted rate (a personalised explanation of contents is allowable). The stipulation is that 'Printed Paper' must be printed on the front of the envelope. At weights of 60gms and above the savings can be spectacular!

The easiest way to ascertain whether you could take advantage of postage savings is to ask us! We will happily assess your current bulk mailings, run your data through our system and provide you with a FOC report with the best available options

Ramblings of an Old Stager

Should we ask our members for donations on top of their annual subscriptions?

It will be interesting to see if the gloomy economic conditions will herald a change in attitude on behalf of membership organisations to fundraising. There is no doubt that views on fundraising are changing slowly anyway but there is still a reluctance by some to overtly fundraise from members.

In the United States fundraising is a hugely important part of everyday life; it's built into the very fabric of their communities. Everyone is 'a fundraiser' and people have no problem asking for money for worthy causes.

For us Brits, on the other hand, asking for money has never really come easily! It is as though we consider that it's beneath our dignity to ask for help. We often feel uncomfortable or embarrassed and imagine that the people being asked will resent us for our impertinence.

There are historical and political differences between Britain and the USA, which may, in part, explain these divergent attitudes. In Britain we have tended to believe that it should be the State that provides. Our National Health Service is considered something of a national treasure and symbolises the role of the State in creating a better society. Our brethren across the pond generally prefer local solutions sponsored by the individual rather than Government.

The same can be said for education. In the USA, education is heavily supported by charitable donations and students do not expect higher education to be funded by the State. In Britain there are rumblings of discontent at the prospect of universities being forced to become more independent and less reliant of government funding.

Maybe we should be less British in our attitudes to fundraising.

It seems to me that, as a consequence of our attitude, British membership organisations very often miss opportunities to raise money through fundraising activities. There is a genuine fear that by asking members if they would like to make a donation, or consider leaving a legacy on their passing, there will be a lapsing frenzy, a stampede of disgruntled members heading for the exit door!

Actually, although the Brits don't like asking, they seem, generally, to be pretty generous when it comes to giving. Of course you need to state your case and be sympathetic to your members' sensibilities and personal circumstances. But as members of your organisation surely they will generally want to support your aims and objectives?

People will support the most surprising causes if asked! Even the most prosaic of professional and trade organisations can raise money through donations if they are prepared to try. On the face of it, you may wonder why anyone would donate to a professional association or trade union but, if that organisation supports members who lose their jobs through ill health or families of members who die prematurely, why not?

The point is that if you believe that your organisation represents a worthy cause you have to believe that your members will too. Of course there is work involved. You may consider setting up a charitable trust and ring-fencing relevant worthy causes that you wish to support.

But in reality it's largely a question of being very 'un-British'. Make your case and ask!

E-marketing: the future for membership organisations



The Etelligent E-marketing system offers genuine benefits to the membership organisation that's looking to improve its membership communications

If you are in a Catch-22 situation, desperate to communicate with members in an increasingly competitive world but unable to afford the cost of the postage, email marketing may be your solution. At minimal cost you can develop and execute interactive e-marketing campaigns which will streamline your administration processes and promote your organisation.

An email marketing system can help you build member profiles, reduce attrition rates, raise funds and recruit new members.

E-marketing may not, as yet, replace conventional mail completely, but in an increasingly Internet savvy world it offers a glimpse of the future and can deliver serious benefits to most membership organisations in terms of cost savings, intelligence gathering and relationship building.

To understand the power of today's software think 'interactive' and 'sophisticated response marketing'. The software allows you, simply and easily and without any programming expertise, to create great looking emails with images and links. But the clever bit is behind the scenes. Every email you send is automatically analysed by the software so you know exactly who has opened it and what links they have followed.

The power of the feedback and reporting mechanism is immense for the membership organisation. It enables you to build member profiles with information that can be linked directly to your database; who is interested in what, where, when and why!

Emails can be used for member surveys, to remind members to pay their annual subscriptions and a host of other applications. In reality the only limit to the technology is your own imagination! Campaigns can be conceived, designed, executed and results analysed in the time it takes for the Royal Mail to deliver a first class letter.

How does it work? In simple terms you pay a fee for set-up, design and training and then a click rate per email sent. Once established you have total control to plan, design and manage your campaigns all at a fraction of the cost of mailing.

For a free demonstration and discussion about how our Etelligent email software may benefit your organisation, please call us on 01293 773221.

Your Questions Answered

We are a small professional Association with 3,000 members and are having problems with our database. We understand that without an accurate database our progress will be hampered but cannot afford the £10,000 to £12,000 we have been quoted for a new one. Help!

If you think there is no saving your current system you probably have two options: one is to build a bespoke database using a popular platform such as Microsoft Access, the other is to utilise a web-based membership package for which you will pay a monthly subscription. The former option (with which we can help you) will give you more flexibility and many of your current processes could remain unchanged. There are a number of web-based systems available and prices are quite reasonable but if you went down this route you would certainly need to compromise.

Invest time in analysing and documenting your processes before making your final decision



Focus on Charities

Wealth Profiling

If you have serious aspirations to raise funds from your members you should consider 'wealth' profiling your membership database.

Typically, one or two percent of your members are likely to be classified as wealthy and able to afford one-off donations of £5,000 or more. So for every 10,000 members you are likely to have at least 100 individuals who are classified wealthy by this criterion.

Identifying affluent individuals within your membership database is a good starting point for developing a major donor and legacy-marketing programme. The cost associated with the profiling should very easily be recouped through a simple fundraising appeal.

Relationships with your most wealthy supporters can provide other benefits too. They may be prepared to offer free advice related to their area of expertise or, if they are well known, may be able to help you generate some much-needed publicity.

For more information about wealth profiling please contact us on 01293 773221.

Top Tip

If you wish to transform your membership recruitment strategy pay close attention to source codes. If you do not know where new members come from, rational investment decisions will be as elusive as Lord Lucan!

How will you know, for example, whether to invest in your website or a telephone campaign unless you have historical data showing which gives the best return on investment?

Membership marketing is really a 'pure' form of direct marketing. Every penny that is spent on recruiting members should be accounted for and strategies based on the 'intelligence' generated.

If you do not have the data to support your decision-making processes it will be impossible to optimise your returns. Careful collection and analysis of data will provide you with the ammunition to make logical investment decisions and maximise returns.

Our Services

- Design, Print & Mailing (including storage and distribution)
- Subscription Renewals & Reminders (full bureau service)
- Enquirer's Packs
- Welcome Packs
- Questionnaires & Surveys
- Lapsed Member Reactivation & Telephone Campaigns
- Membership Cards
- Fundraising Consultancy & Appeal Mailings
- Legacy Marketing
- Data Cleaning & Profiling
- Database Development
- Gift Aid Auditing & Promotion
- Online Print Ordering & Management
- Administration & Support Services
- Response Handling & Fulfilment
- Magazines & Newsletters
- Promotional Leaflets & Brochures

The Computastat Group specialise in membership marketing. Our focus is to help our clients to increase membership and improve on their return on investment. We have 20 years of experience working with some of the largest and most successful membership organisations in the UK as well as many smaller institutions, associations and charities.

Membership Audit

Why not take advantage of a **free of charge** Computastat Group membership audit ?

During a membership audit we analyse your membership communications processes, which covers renewals, lapsed members, enquiry handling, recruitment, Gift Aid and more. Our focus is to offer guidance and advice to help you increase your membership. Following an audit we will provide you with a written report of our findings and recommendations all FOC.

For a free consultation please contact Andrew Atiyah, on 01293 773221 or email membership@computastat-group.co.uk

Written by:

Andrew Atiyah – With a background in finance, marketing and general management and over 25 years experience of working with the not-for-profit / membership arena Andrew focuses his attention on helping clients improve their ROI. With an in-depth understanding of database marketing techniques Andrew has written and run training programmes and seminars on membership and related subjects.

Nick Pease – Communications and copywriting: Nick is a highly experienced, award-winning copywriter who has worked for some of the most creative and successful London agencies (McCann-Erickson, TBWA, Publicis, The Creative Business). Over the years Nick has worked in every business sector and every medium, from television and radio through to direct marketing, B2B and online. Within Nick's experience he has worked with a number of membership-based organisations, including Amnesty International, Greenpeace, RNLI and The Royal Photographic Society.

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