

**TO:** ALA Executive Board, Finance and Audit Committee, Budget Analysis and Review Committee

**RE:** ALA Membership Report

**ACTION REQUESTED/INFORMATION/REPORT:**

Information report

**ACTION REQUESTED BY:**

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**DRAFT OF MOTION:**

N/A

**DATE:** March 25, 2019

**BACKGROUND:**

Report on FY2019 membership dues and budget performance; FY20 Dues Budgets; Staffing; Membership Study Update; and Strategic plans

**ATTACHMENTS:**

Report and additional membership information

## FY2019 ALA Membership Dues and Data

|   |              |              |             |
|---|--------------|--------------|-------------|
| Total Revenues Budgeted/Actual/Remaining:       | \$ 5,391,800 | \$ 2,201,682 | \$3,190,118 |
| Total Expenses Budgeted/Actual/Remaining:       | \$ 100,000   | \$46,039     | \$53,961    |
| Net Revenue (Expense) Budgeted/Actual/Variance: | \$5,291,800  | \$2,155,642  | \$(49,274)  |

Membership dues are down by about -\$49,274. Some of this is due in part to processing errors related to the e-commerce system. Through the end of January, \$32,393 were lost dollars due to this issue and will be credited by the vendor.

Overall total ALA membership is **58,721** compared to 58,826 in February 2018, a slight decrease of **-0.18%** increase.

### Individual Memberships

Personal Regular membership is down slightly to **29,423** compared to 30,492 last year, a **-3.51%** decrease. The most rapid growth remains in Student memberships which is up to **8,728** compared to 7,916 last year this time, an **10.26%** increase. There were also increases in Retired, Continuing, Life and Friend member categories. Support Staff, Associate, Trustee, Non-salaried, International, and some categories of continuing memberships are down.

### Organizational and Corporate Memberships

Group memberships had growth, up **10.42%**. Very Small, Small, Medium, Large Library, State Library, Non-Profit, International and Chapter memberships also had growth. Very Large Library and Corporate memberships are down slightly.

Five **divisions** had growth: AASL (4.83%), ACRL (1.23%), ASGCLA (36.71%) and UNITED (8.06%). (FAFLRT was integrated into ASCLA to create ASGCLA – Growing from 771 members a year ago to 1,054 members).

Fifteen **Round Tables** had growth: EMIERT (8.27%), FMRT (15.24%), GLBTRT (5.84%), LearnRT (9.28%), LHRT (2.18%), LIRT (1.42%), LRRT (2.00%), LSSIRT (1.20%), NMRT (8.84%), RMRT (9.42%), SRRT (9.14%), SORT (18.75%), and SustainRT (57.02%). SRRT remains the highest RT membership at 1,910 members. SustainRT had the highest percentage of growth-- growing from 691 members to 1,085 members. The Graphics Novel MIG became the Graphic Novel and Comics Round Table (GNCRT) beginning September 1, 2018, currently has 312 members.

**Division Personal Memberships** (represents member counts through February 2019)

| Division     | 2008          | 2009          | 2010          | 2011          | 2012          | 2013          | 2014          | 2015          | 2016          | 2017          | 2018          | Feb 2019      |
|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| AASL         | 8,142         | 8,002         | 7,756         | 7,592         | 7,021         | 7,024         | 6,983         | 6,602         | 6,335         | 6,193         | 7,242         | 7,321         |
| ACRL         | 11,650        | 11,585        | 11,291        | 11,684        | 11,062        | 11,187        | 10,269        | 10,472        | 9,910         | 9,837         | 10,260        | 10,697        |
| ALCTS        | 4,052         | 3,713         | 3,598         | 3,654         | 3,421         | 3,356         | 3,185         | 3,115         | 2,985         | 2,947         | 3,209         | 3,156         |
| ALSC         | 3,792         | 3,777         | 3,726         | 3,632         | 3,645         | 3,675         | 3,773         | 3,708         | 3,880         | 3,971         | 4,320         | 4,251         |
| ASCLA        | 688           | 653           | 651           | 633           | 576           | 663           | 644           | 670           | 681           | 638           | 766           | 1,054         |
| LITA         | 3,338         | 3,026         | 2,893         | 2,953         | 2,791         | 2,670         | 2,466         | 2,302         | 2,203         | 2,086         | 2,370         | 2,306         |
| LLAMA        | 4,407         | 4,072         | 3,824         | 3,589         | 3,616         | 3,576         | 3,341         | 3,260         | 3,264         | 3,272         | 3,630         | 3,659         |
| PLA          | 11,082        | 9,620         | 9,929         | 8,604         | 9,176         | 8,060         | 8,518         | 7,391         | 8,440         | 7,389         | 9,392         | 8,842         |
| RUSA         | 4,225         | 4,225         | 3,695         | 3,592         | 3,378         | 3,243         | 2,977         | 2,901         | 2,828         | 2,718         | 2,961         | 2,908         |
| UNITED       | 990           | 968           | 989           | 1,293         | 1,125         | 1,113         | 1,041         | 978           | 878           | 951           | 4,052         | 4,410         |
| YALSA        | 5,073         | 4,965         | 4,907         | 4,953         | 4,835         | 4,794         | 4,838         | 4,802         | 4,687         | 4,493         | 4,612         | 4,459         |
| <b>Total</b> | <b>57,439</b> | <b>54,287</b> | <b>53,259</b> | <b>52,179</b> | <b>50,646</b> | <b>49,361</b> | <b>48,035</b> | <b>46,201</b> | <b>46,091</b> | <b>44,495</b> | <b>52,919</b> | <b>53,168</b> |

**Operating and Financial Projections for FY20**

In the 2018 election, ALA members voted (7,420 (72.2%) to 2,862 (27.8%)) to establish a five-year personal dues adjustment mechanism not to exceed the percentage change in the national average Consumer Price Index (CPI) beginning with FY19 dues and running through FY23. Personal member dues will be reviewed by the ALA Executive Board, which may approve a dues adjustment not to exceed the percentage change in the national average CPI for the previous calendar year, rounded to the nearest dollar. Any increase beyond the above provision proposed by the Executive Board will require approval by a vote of Council and a vote of ALA personal members.

The FY20 budget for ALA membership dues was developed with a **2.2%** CPI adjustment and the following proposed structure is being presented to the board for action:

| Member Type       | Current Dues | FY20 Proposed Dues |
|-------------------|--------------|--------------------|
| 1st year          | \$72         | \$74               |
| 2nd year          | 110          | 112                |
| 3rd year+         | 145          | 148                |
| Student           | 38           | 39                 |
| Earning <\$30,000 | 52           | 53                 |
| Support Staff     | 52           | 53                 |
| Retired           | 52           | 53                 |
| Associate         | 66           | 67                 |
| Trustee           | 66           | 67                 |
| Friend            | 66           | 67                 |
| International     | 87           | 89                 |

## Staffing Updates

A search is actively underway for the director of Membership Development & Customer Service. The search committee consists of the following individuals: Holly Camino, Branch Manager, Cuyahoga County Public Library, (ALA Committee on Membership Meetings, chair); Christina Rodriques, Outreach Manager, OCLC, (ALA Membership Committee, chair); Sylvia Norton, AASL Executive Director; Kimberly Redd, Program Manager, Certification & Talent Development, NMRT staff liaison; Dan Hoppe, Associate Executive Director, ALA Human Resources; and Lorelle Swader, Associate Executive Director, ALA Offices and Member Relations. The goal is to have a new director in place by Annual Conference.

**David Sheffieck** joined the staff as ALA Community Engagement Manager, on February 25, 2019. He is responsible for creating and maintaining a vibrant online community that engages ALA members in Connect. He works collaboratively with other ALA membership marketers, to coordinate and standardize services, marketing, member onboarding and other messaging. Prior to accepting this position, David served as a Manager for *CapitalPlus Exchange* where he was responsible for relationship management for international member networks and engaging contacts at over 60 financial institutions in sub-Saharan Africa, South Asia, and MENA through online and in-person network services. David also has experience with *Salesforce* and brings a wealth of experience in the areas of marketing & communications, website design, presentations, video, online meetings and social media. He holds a B.A. degree in English & Rhetoric from the University of Illinois at Urbana-Champaign.

**Crystal Carrazco** joined ALA as the new Membership Communications Specialist on December 10, 2018. Crystal previously worked in the past but most recently left a position with the American College of Phlebology (ACP) where she focused on email marketing, social media and the updating of website content. Prior to joining ALA in the past, she was with the Professional Convention Management Association (PCMA). Crystal is responsible for membership communications, website development, social media, and exhibit/event coordination.

## Status Update of Ave. M Recommendations

On January 26, 2018, ALA issued requests for proposals (RFPs) to conduct two studies – a communications study and a membership study. Four companies responded, and their proposals were evaluated by two groups of staff members. Three companies were selected for final, face-to-face interviews on March 28. On March 29<sup>th</sup>, ALA contracted with the Avenue M Group to conduct the studies. The lead investigator on the studies will be Sheri Jacobs, the founder, President and CEO of Avenue M Group. Jacobs is a best-selling author of *The Art of Membership: How to Attract, Retain and Cement Member Loyalty* and is an association management veteran with nearly 20 years of experience. ALA has worked with Jacobs on several successful projects in recent years. The goal of the communications study was to position ALA with our members through powerful, simple, clear, and consistent communications, which will help us to recruit and retain members, grow and sustain fundraising, and support members and the profession through advocacy. The goal of the membership study was to make improvements that will better serve members and potential

members and position the association for membership growth and increased member engagement. Work began on the studies in April 2018 and an electronic membership survey was distributed to 65,152 individuals. 10,386 survey responses were returned for an overall response rate = 16%. (Margin of error of +/-1% at the 95% confidence level is well within the industry standard) Sheri Jacobs did a presentation on the results for the ALA Executive Board at their fall 2018 meeting.

Ave. M has presented several membership models for testing. Once ALA Management has selected the most advantageous models to test, Ave. M will proceed with the testing with a carefully selected group of members. They will then analyze the data and revise the models as necessary to increase the likelihood of success. However, in light of ALA's decision to review its overall organizational structure through the work of SCOE, testing of models has been postponed. In the meantime, staff have highlighted below some of the following major findings in the report:

#### Membership Data and Trends:

- Over the past 10 years, the percentage of personal memberships declined from 62% in 2007 to 57% in 2017. During this same time interval, the number of trustees declined (1%). The biggest increases came from the number of Continuing Free memberships (25 years or more continuous years of membership and retired), which grew from 2,717 in 2007 to 4,352 in 2017 (a 60% increase). Continuing Free membership as a percentage of total members grew from 4.2% in 2007 to 8.6% in 2017. During this same time interval, organizational memberships consistently declined from 3,480 in 2007 to 2,330 in 2015, before sharply rebounding in 2016 and 2017 to 5,627 and 5,545, respectively. (*Source: ALA database, end fiscal year count*)
- Although the number of personal memberships declined about 3% annually from 2006 to 2012, the 2013 introduction of new dues prices for 1<sup>st</sup> year, 2<sup>nd</sup> year and 3<sup>rd</sup> year+, memberships did not reverse this trend. From 2013 – 2017, personal memberships declined 6%, primarily due to a lost in 3<sup>rd</sup> year+ members (-11%). (*Source: ALA database, end fiscal year count and conversations with ALA Membership Director.*)
  - The top drivers for being a member in ALA are: believe in supporting my profession (54%), supporting advocacy for the profession (44%) and supporting intellectual freedom (40%). Learning new skills to become more proficient in one's job (37%) and keeping up-to-date through ALA publications (33%) are also high drivers of membership. About one quarter of respondents (26%) felt access to an ALA Division is a high driver of membership, which was significantly lower than the previous stated factors. (*Source: 2018 Membership Research Survey*)

#### Perceived Value of Member Benefits:

- Based on the cost of dues, about half of member respondents (51%) feel the value they receive is equal to the cost of membership. More than one-third (35%) feel the value they receive is less than (28%) or much less than (7%) than the cost of membership. About 15%

feel the value they receive is greater than the cost of membership. (Source: 2018 Membership Research Survey)

- According to survey data, division membership provides more value to respondents. The percentage of respondents who said they receive more value from their division membership (48%) is four times higher than the percentage of respondents who feel they receive more value from their ALA membership (12%). About one quarter of respondents feel there's equal value. (Source: 2018 Membership Research Survey)
- Members' views on the value of services provided by ALA National, ALA Divisions, ALA Regional/State Chapters, ALA Round Table(s), and Non-ALA Associations show some differences and similarities. More than half of members believe ALA National advocates effectively on behalf of their profession (67%) and helps them stay up-to-date on the latest information in my profession (52%). Divisions provide less value in advocacy but tend to also keep members abreast with the latest information in their profession (28%), high quality, affordable education, networking and volunteer opportunities (26%). Regional/State chapters offer value in volunteer opportunities (29%) and facilitate networking or the exchange of information between peers (27%). Members who also belong to non-ALA Associations cited the associations provide high quality, affordable education (26%) and volunteer opportunities (22%) (Source: 2018 Membership Research Survey)
- The most important features members receive from ALA membership that they cannot receive anywhere else are information to keep up-to-date (45%), advocacy for people in my field (33%) and education/content related to my professional areas of interest (31%). Connecting with a community of peers (29%) and access to education/content relevant to one's job or work setting (28%) were also selected by more than one quarter of members. The importance of these features varied by position and work setting. Librarian/Archives/Museums professionals were significantly more likely to select education/content relevant to my job role or work setting (31%). Library Assistants/Associates, Retired/Unemployed and Library Support Staff were significantly more interested in information to keep them up-to-date (53%, 61% and 56% respectively). Students tended to be more interested in education/content related to their field (44%). Academics working at colleges and universities tended to feel access to a community of peers was the most important feature from ALA membership that they do not receive elsewhere. Elementary school library professionals cited advocacy for people in my field (42%) and education/content relevant to my job role or work setting. The largest segment of respondents, public library or public library district employees were significantly more likely to state information to keep me up-to-date (47%) and education/content relevant to my job role or work setting. (Source: 2018 Membership Research Survey)

### Opportunities for Improvement:

- The launch of a successful membership program will rely heavily on ALA implementing a robust marketing plan months in advance to clearly communicate its value proposition and the new membership model to its members.
- ALA should offer members the option for auto-renewal. This will reduce renewal and campaign expenses and potentially increase retention. A Membership Marketing Benchmarking Report by Marketing General, Inc. revealed that 29% of associations now offer auto-renewal. It has been found that renewal rates can be up to 10 points higher compared to organizations that don't offer the option. The survey results showed 14% of former members simply forgot to renew. Fixed-pricing (annually/monthly) for non-Life members should be considered.

### **Future Strategic Directions**

The ALA Membership Development & Customer Service staff have been working with staff from divisions and round tables to brainstorm ideas related to coordinated marketing efforts, establishing member value propositions and new member onboarding. Additionally, they have been working with the staff of ITTS to determine the feasibility of enabling more effective dues renewal automation options.