

# Membership Development: A guide for non-profit Preservation Organizations

By Catherine A Horsey

(Published as one in a series of Historic Preservation Information Booklets)

“Americans of all ages, all conditions, and all dispositions constantly form associations ... the associated members must always be very numerous for their association to have any power”

*Alexis de Tocqueville*

Most preservation organizations are membership organizations that live and die with the rise and fall of member support. They depend heavily on dues for operating revenues and constantly seek new ways of increasing support. In this country, where the number of non-profit organizations has grown by 23 percent in the last 10 years, the competition for members becomes more challenging with each passing year. Survival demands a new level of sophistication in membership development, which includes a continuous, comprehensive and systematic plan to attract and retain new and long-term members.

Members are the lifeblood of any membership organization. They not only provide a substantial part of the financial wherewithal to establish and continue programs, but are a significant source of volunteer power and an essential source of publicity.

Why do people decide to join preservation organizations? The most straightforward reason is a belief in the mission of the group, coupled with a perception that it has the ability to accomplish its stated goals. Such a perception arises out of both public regard for the organization and the potential member's personal experience with the group or with individual members of the group. In preservation this translates into the perceived ability of the organization to intercede effectively in preservation related community issues and the success with which the organization educates the public about the conservation of the community's historic built environment.

A tremendous shared sense of accomplishment and participation develops among members when a building is saved as the direct result of a preservation organization's efforts. The energy thus generated can be channeled into other activities, and encourages those interested in a single building or issue to expand their interest to historic preservation in general.

People also join preservation organizations because they are looking for information available to members. This need is often filled in large part by the organization's newsletter, which may provide news of local, regional, and national preservation activities, as well as individual members. Most preservation groups also provide direct and indirect technical assistance, ranging from the names of qualified contractors to information on rehabilitation incentives to listings of available historic properties.

Some people join organizations because they are generally concerned about preservation issues—enough so that they feel they have done their part by paying their membership dues. These can be the most loyal of members, although they may not participate in the organization in other ways.

Social reasons are often a compelling factor in the decision to support a membership group. The fundraising axiom, “People give money to people,” applies as well to membership dues. Prestige

attracts patronage, and human nature being what it is, both individuals and organizations will generally seek membership in a group whose members are compatible with the potential member's social and affinity groups.

Successful groups provide broad opportunities for individual participation. As different members have different needs in this area, most groups offer a variety of activities to their members, from the purely social to hands-on rehabilitation projects to the ever-popular educational tour. Support for preservation takes many forms, and a diverse group of supporters constitutes a strong organization. These activities promote a sense of belonging; for many members having fun with the group is an end in itself.

The opportunity to visit historically significant sites is an almost universal motivator for membership in preservation organizations. Opportunities range from free admission to organization owned properties to month-long trips abroad in the company of other members. Another incentive is the opportunity to visit sites to which public access is restricted.

While participating in these activities, members meet others with similar interests and form both social and potential business relationships. This is a significant motivation to join an organization. The advantage to the non-profit group is that interpersonal relationships within the group promote loyalty among current members and at the same time attract new followers.

Financial and other types of stability are secondary factors in the decision to join an organization. Although potential members rarely ask to peruse a recent financial statement. Corporate members and potential board members can be expected to show an interest in demonstrated fiscal responsibility. Donors appreciate assurance that their funds will be used wisely and well.

People choose to become a part of any group because it is useful to them and because membership and support of the cause make them feel good. It is important to bear this in mind while devising ways to attract new members.

## Types of Membership

Most non-profits divide members into categories based on the type of membership and/or on the level of giving. Segmentation accomplishes several functions:

- members can demonstrate various levels of commitment through membership dues,
- certain types of individuals might qualify for discounted membership, e.g., students, senior citizens, and
- mailings can be targeted to specific categories and interest groups.

## Levels of Giving

Almost all organizations provide a basic or entry level of membership that entitles an individual to receive mailings, invitations to special events, discounts on merchandise, and free admission to properties owned by the organization. Most groups also offer a dual or family membership with the same privileges for two adults. Some provide discounted membership for students or senior citizens. Students appreciate the opportunity to participate at a discounted rate and have good potential to continue as full dues paying members after graduation.

Beyond these basic divisions, the number of higher levels will depend upon the maturity and base of support of each organization. New organizations may wish to start with fewer options. New—and

higher—levels can always be added to encourage larger donations, especially if attractive incentives to upgrade are devised. Higher levels can be embellished with preservation related labels, such as “Landmark Member” or “Cornerstone Club.”

### *Professional and Organizational Memberships*

Professional memberships are for those who may be interested in very specific, usually technical, information. Professional dues are commonly set at a slightly higher rate than individual dues, to cover the costs of special services. Prospects for professional membership include architects, planners, developers, commission members, preservation educators, and others who work in preservation or related fields.

Organizational memberships provide a means for groups, particularly small non-profits such as community historical societies, to join. Because many such groups, especially the smaller ones, have no budget allotted for dues, organizational dues are commonly kept at the lower end of the dues spectrum. Confusion occasionally arises between this and other apparently similar categories such as corporate memberships, which are usually designed to attract larger donations. Thus, these less costly categories are sometimes called “non-profit organization” memberships.

### *Corporate Memberships*

Corporate memberships are a major potential source of membership revenue. Corporations may be segregated into a separate category with different levels of giving, based on the size of the corporation or merely on its financial commitment. Some of the same benefits that accrue to personal membership may be offered to corporate members, supplemented by employee oriented benefits such as free admission to organization owned historic sites or the opportunity to use these properties to conduct corporate social events.

Corporate memberships can also provide access to a large pool of potential individual members through publicity in the company’s internal newsletter or involvement of employee volunteer groups and can plant the seed for corporate support of events and special projects.

Historic Hawai’i Foundation maintains an active corporate membership program. One membership strategy involved approaching companies beginning land development projects and offering the foundation’s services to review plans and serve as a liaison between the company and the community.

Several levels of support are designated, ranging from the regular corporate membership at \$100 all the way up to \$10,000 for an “Angel.” Higher level donors may gain additional visibility by sponsoring programs, such as the annual preservation awards or an issue of the newsletter. The companies are contacted and membership solicited by volunteers, armed with a proposal prepared by foundation staff. This type of program benefits both the preservation organization and the corporation, which receives the technical expertise of the preservation group as a benefit of membership.

### *Lifetime Memberships*

Lifetime memberships, once a common method of garnering large donations, have fallen from favor. While this type of membership may yield substantial onetime contributions, it results in a net loss of revenue over the long term. Once an individual becomes a lifetime member, his or her incentive to support the organization financially is lessened. In most cases, those who can afford a lifetime membership are also able to make further donations at a later date.

## *Honorary Memberships*

Honorary memberships equate in most organizations to inclusion on the mailing list for free. This is a very effective educational tool for individuals and groups who are unlikely to join officially, but whose support is nonetheless important. Receiving a regular newsletter increases familiarity with the organization's purpose and its programs. Prime candidates for honorary membership are elected officials and major donors, such as foundations. Honorary memberships are occasionally given to public figures who have demonstrated a serious need for education, particularly through a position potentially damaging to preservation, such as one who maintains publicly that a preservation ordinance prevents development.

Honorary memberships may also be presented in return for in-kind services, sponsorship, or other types of support. If the preservation group provides services for a fee—design assistance, for instance, or preparation of tax project certifications—an honorary membership may be provided for a specific period to users of that service to introduce the user to other programs and encourage continued support.

Some organizations bestow honorary memberships on major donors to specific programs, such as event sponsors. The hazard in this practice is that the lines between membership dues and other types of support may become blurred, creating confusion and potential conflict and competition between different areas of the organization's operations. A clear policy on eligibility for honorary membership should be established.

## **Dues—Decide How Much**

Although there are many magic formulas for determining membership dues, including those based on total budget, hard membership costs and even use assessments, ultimately the basic level of individual dues will fall within a range that constitutes the norm for similar membership organizations serving the same geographic area. Currently that range is from \$15 for a small local group to \$50 for a large, well-established organization providing many member services.

Double/family memberships are generally slightly less than twice the individual rate. Higher levels should be set at even increments, for instance \$100, \$250, \$500, and \$1,000. An informal survey of preservation organizations placed the highest level of membership at \$10,000. This may prove an ambitious goal for most groups.

For the sake of flexibility, types and rates of memberships are generally not included in organizational bylaws, although the procedures for changing the dues structure should be.

When the decision is made to raise dues across the board, because of increasing costs or for other reasons, members should be notified before renewal notices are received in order to avoid confusion. Members will appreciate being informed in advance of such a decision.

However dues are constituted, membership revenues should not exceed 30 to 40 percent of the total income budget. Diversity of income sources and lack of reliance on a single source guards against the impact of a catastrophic failure of that source. Although membership revenues are a more stable source of income than special events, a controversial and highly publicized stance taken by the organization may wreak havoc with the membership base, requiring several years to rebuild. If membership dues are the single most important source of operating funds, the organization might never recover from the blow.

## *Determining the Costs of Membership*

The cost of membership is determined by calculating all the expenses involved in providing services to each member. In addition to the expense of solicitation, membership processing costs include printing and mailing renewal notices and maintaining membership records. Calculate the cost of all the benefits of membership—publications, events, merchandise and admission discounts, as well as staff time to administer membership programs. The cost of recruiting a new member, which will be higher than the cost of renewing members due to solicitation expenses, can be calculated separately or factored out among all the members.

The Georgia Trust for Historic Preservation has calculated the average cost of servicing its members to be approximately \$24. Current membership dues for individuals are \$25, for families \$40, students \$10 and sustaining members \$60. Thus, student members are a net expense to the organization and individual members net \$1 each. Benefits provided to Heritage Members, who pay dues of \$125, and members at higher levels cost an average of \$41. These calculations demonstrate the importance of higher level memberships to the financial wellbeing of the organization, since the expenses of the \$500 membership are not directly proportionate to the donation level and the net profit to the organization in this case is more than \$450.

## **Solicitation Tools**

Each organizations approach to soliciting members will vary slightly. There are, however, certain recruitment tools common to every membership organization that are used in different combinations according to the design of the membership campaign. These tools can often serve a wider purpose as a part of a general public relations and marketing strategy.

### *The Brochure*

The chief building block in the membership marketing plan of any organization is the membership brochure. This is the one piece of literature every prospect will see, whether a corporate donor or a casual house museum visitor. The design, as much as the text, should convey the style and tone of the organization. This is not the place to institute cost-cutting measures. Professional design is important and can, like most services, often be secured through donation if the donor is appropriately credited.

It is extremely handy—and less expensive—if the brochure fits inside a regular business envelope, so that it can be enclosed with a prospect letter.

The brochure must include at a minimum:

- name, address and telephone
- number of the organization,
- purpose of the organization,
- benefits of membership,
- cost(s) of membership, and
- tear off application form.

Other information might include names of the board of trustees and staff, a brief history of the organization, current programs, and past accomplishments.

A detachable application form that fits into a regular business envelope simplifies the process of joining. The form should solicit basic information about the new member, including name, mailing

address, daytime and evening telephone numbers, spouse's name, and the name of the person who solicited the membership, if applicable. While other information, such as occupation, is useful, a potential member might resist providing this level of detail early on. Besides, there is a limit to how much information will fit on the application.

All membership levels should be outlined in the brochure so that the new member can select the appropriate level of support. Some forms present the highest level first, although printing a very high level first may suggest to some prospects that a large donation is expected and a smaller one not welcome.

Mentioning the degree of tax deductibility of the donation is recommended. The Internal Revenue Service has become increasingly exacting in its expectation that non-profit organizations specify the amount of dues (or any other donation) that is tax deductible. Since the amount may vary from member to member depending on which benefits each chooses to take advantage of, a good way to handle the issue is to state an amount that covers the benefits that every member receives without specifying that that amount is tax deductible. For example: "\$10 of your membership dues covers the cost of a subscription to *Preservation Times*."

### *The Fact Sheet*

Space limitations restrict the information provided on the membership brochure to the highlights of the organization's programs. Further details can be supplied on a one-page fact sheet, including a brief history of the organization, major accomplishments, and a description of ongoing activities. The fact sheet is a multipurpose document that can serve as a short case statement for other fundraising and publicity efforts.

### *Audio-Visual Presentations*

Although the membership brochure might be considered the "closing" mechanism—the device that elicits the prospect's commitment to join—a slide show or video presentation is the tool that lays the groundwork by involving the prospective member in the organization. To be effective, the presentation must provide something for everyone, that is, address all of the factors that motivate people to become members, and present an overview of the organization's programs.

Visual presentations have many uses, including fund raising and public education. A speakers' bureau that uses the slide show or video, for instance, can raise public awareness of the organization and provide an important opportunity for volunteers to increase their involvement and learn more about the organization by educating others.

The choice of audio-visual medium should be based on purpose, cost effectiveness, and versatility. As a membership tool, videos may enjoy limited utility:

- they must be professionally produced and are often quite costly,
- they must be targeted either to a general audience or to one specific group,
- unless carefully produced they quickly become outdated, and
- video projection equipment is not as readily available as slide projectors and generally cannot be viewed by a large audience.

A high quality video presentation, however, can provide an impressive introduction to the organization and can also convey an image of professionalism to the viewer.

Slide programs, on the other hand, allow greater interaction between the presenter and the audience. A standardized slide show with a prepared script is essential for volunteers not thoroughly familiar with the organization or not completely comfortable speaking extemporaneously before an audience. The slide show can be set up so that the script is available on a tape that will cue the slide projector to advance the carousel—this method requires no speaker at all, although certainly it is preferable that a member of the organization be available for questions.

The flexibility of a slide presentation enables the presenter to add or subtract slides that focus on specific topics or issues, depending upon the audience, and also allows the organization to update the slides and script as necessary. Slides also allow the presenter to answer questions as they arise and thus encourage audience participation. Raising the level of interaction and interest with the audience will increase the number of potential new members.

### *Knowledge of Current Members*

A demographic profile of current members is essential to developing recruitment campaigns targeted to the same types of people and to enlarging the constituency by attracting new audiences.

A good working knowledge of the demographics of the group is also important for long-range planning and fundraising efforts. Corporations are increasingly interested in reaching specific target audiences through sponsorship and advertising. An organization that can provide demographic information in its solicitation makes a better case for support.

One way to develop statistical information about members is to analyze data already available in the membership database. For instance, zip codes indicate whether support is primarily urban or rural, and in urban areas may suggest levels of personal income. Membership categories show whether most members participate as individuals or as couples or families. Giving history reflects the average length of membership and renewal rates.

A more time consuming, but also more comprehensive, way of determining how the membership is constituted is by formulating a questionnaire and surveying all the members. Questions might include age, occupation, membership in other organizations, residence in a historic building, reason for joining, specific areas of interest in preservation, and which of the organization's programs are most useful or enjoyed. The National Trust's Information booklet, *A Self-Assessment Guide for Community Preservation Organizations*, contains an excellent sample membership survey.

Information gleaned from such a questionnaire can be of great help in determining the most promising target groups for membership development, as well as how effectively the organization currently serves its constituency. The data might also suggest that certain groups are underrepresented and stimulate a new approach. A 1985 survey of Georgia Trust membership indicated that the majority of members at all levels were between the ages of 60-69, which prompted an increased emphasis on recruiting younger members.

### **Solicitation Techniques**

One aspect of membership development generates almost universal agreement: the most effective way to solicit a new member is with a face to face request to join the organization by an individual known to the recruit. If each member would just ask his or her closest friend to join, membership would double instantly!

Everyone associated with an organization has the opportunity sooner or later to encourage someone else to join. This casual approach, however, works better if it is institutionalized, i.e., if members are encouraged at every opportunity to ask their acquaintances to join and if it is very easy for them to provide the prospect with membership information.

Membership brochures should be available at every event and membership packets should be readily available upon request.

Board members especially should be encouraged, and even required, to bring in a specific number of new members every year. This obligation can be included in the board's job description and discussed during orientation. Progress reports should be provided throughout the year.

Staff members should solicit memberships as a matter of course when providing technical assistance—dues provide the support that enables the staff to disseminate technical information. Having received such assistance, an individual should be much more likely to help support the organization.

Speaking engagements are likewise golden opportunities for recruitment. If the audience is sufficiently interested in the topic to invite a speaker its members should be encouraged to join the speaker's group.

The point to bear in mind, as in fund raising, is that the prospect will rarely volunteer to join. He or she must be asked, and we all too often forget to do just that.

## **Direct Mail**

Direct mail is one of the most commonly used methods of membership solicitation. It can reach a wide audience with minimum labor, but can also be the least effective and most expensive type of campaign.

The "shotgun" approach of random solicitation, also known as prospecting, is the least efficient direct mail effort and is becoming increasingly rare because of the high costs of mailing. The return rate from such a mailing is likely to be less than one percent. The industry standard for a successful campaign that uses a carefully prepared mailing sent to carefully selected lists is a return of about four percent. Higher return rates can be achieved through more focused targeting.

### ***Mailing Lists***

Choosing a target audience is the first step in a direct mail campaign. Clearly those who can be counted on to be most receptive to your message are individuals or groups who have already demonstrated an interest in preservation, history, or a related field. Another important characteristic of a successful list used in a direct mail campaign is that the list be composed of people known to be responsive to direct mail. An exception would be individuals who have had close personal contact with your organization through an event or visitation to an organization-run historic site.

Begin by targeting lapsed members of the organization. Having once been interested enough to join, these individuals often fail to renew for no particular reason and can be persuaded to join again with little prompting. This is an excellent rationale for retaining old members in the membership database.

Another proven list includes individuals who have participated in the organization's activities, but who are not yet members. Guest registers from special events or property visitors and invitation or mailing lists should always be retained. Presumably participants will have met other members, been introduced to the organization and, hopefully, enjoyed the experience.

Affinity groups are a good source of lists of people either directly interested in preservation or interested in a related subject. These might include other preservation organizations, historical societies, and genealogical societies. Individuals who have benefited from historic preservation are also good prospects, such as tax project developers, downtown merchants, property owners in historic districts, and restoration contractors.

Here information gleaned from a membership survey can be useful. If many of the current members of the preservation group are also members of another organization, other members of that organization might reasonably be expected to join.

Next in order of potential are less closely related groups. These include architects, developers, interior designers, and members of garden clubs, Junior Leagues and professional associations. The more tenuous the connection, the lower the response rate.

Many organizations will provide their mailing lists free of charge or will trade for the use of another on a onetime basis. Others will furnish their list for a fee that can range from the cost of producing the list to several hundred dollars for a large list in much demand. The decision to purchase or rent a list should be carefully considered, based on a close match between the perceived interests of the members of that group and those of the preservation organization. Purchasing implies ownership of the list and free access to the information it contains thereafter. Rental implies permission to use the list on a one-time-only basis. The terms of the agreement should be clearly spelled out.

The format of the prospect list will vary according to the method of use and the capabilities of the supplying organization. If the preservation group has an automated membership system, magnetic media (diskettes or tape) are preferable. For a onetime mailing, labels, either Avery (the sticky kind) or cheshire (printed four across on computer paper and useable only by mailing services), are practical and convenient. Unless the information is copied or entered into a database and the terms of the agreement with the source of the list permit this, follow-up will be difficult. Computer scanning saves time and can be done by a service bureau. Otherwise, data entry for a large list will be tedious and time consuming. Be sure to ask for labels to be printed in zip code order if they will be mailed bulk rate. Third class postage at the post office.

Prospect lists must be crosschecked against the current membership list to avoid duplication and the embarrassment of asking a long-time member to join. Crosschecking can be done manually, i.e., by visually comparing two printouts. This is the most reliable checking method, but is extremely time consuming. Some computerized membership programs, offered by many mailing houses or computer service bureaus, are able to crosscheck two lists based on an exact or close match of names and/or addresses. Most of these operations can also identify duplicates between different lists you may be mailing at the same time, which is important in presenting a cost-conscious organization to a prospective member. Since neither method is fool-proof, some organizations include a line in the letter apologizing if the prospect is already a member, or if solicitation is a duplicate, asking that the invitation to join be passed on to a friend.

When several lists are used in a single mailing, it is important to indicate the source of each prospect on the database if possible or by coding the application or the return envelope.

This information will identify the most successful lists and target groups and will be invaluable in designing future membership campaigns.

### *The Mailing*

Once the list of prospective members is organized, the all-important solicitation package must be carefully formulated. This usually consists of several elements: the letter, a membership brochure, a freestanding response form, the mailing envelope, and, optionally, a return envelope and additional information.

One common mistake is to include too many pieces or too much information in the mailing. It is tempting to inundate prospective members with fact sheets, brochures, and newsletters. Such clutter is unnecessary and confusing and adds considerably to postage costs. Some prospects may be successfully solicited by a membership brochure only.

*The Letter* —As with membership brochures, the design, content and tone of the “ask” letter depends to a large extent on the organization. What is effective for one group may not work for another. The length of the letter will depend upon the familiarity of the prospect with the organization, e.g., solicitation of a list of attendees at the organization’s homes tour might be accomplished with a one-page letter, whereas the introduction of the organization to a list of local news magazine subscribers may require a four-page letter detailing programs and accomplishments. The letter must include enough information to engender interest and a clear request to join. The text should include compelling reasons for that individual to become a member, e.g., the worthiness of your group, your goals, examples of a few of your most important accomplishments, and the specific benefits membership will bring. It is important that the letter be persuasive in asking the prospect to join, and compelling in why the prospective member’s support is important. The “ask” should be clear and close to the beginning of the letter, and repeated again at the end of the letter and perhaps even in a P.S.

Who should sign the letter? Normally the signer will be the president, the executive director, or an individual well known in the community who is willing to lend his or her name to the cause. Needless to say, that person should be given the opportunity to review the text of the document mailed out over his or her signature.

*The Mailing or Carrier Envelope* – Mailing vehicle choices include the organization’s regular stationery envelope or, if cost is a limiting factor, a plain white envelope with a return address. While the postal service requires that bulk mail users include a return address, only first-class postage will ensure the return of incorrectly addressed or undeliverable mail. An occasional first-class mailing will provide the necessary corrections to update the mailing list.

Teasers, a line of text printed on the envelope, have been demonstrated to encourage the prospect to open the envelope immediately. Examples include “A Special Invitation from the Board of Trustees” and “How You Can Help Save Our Heritage.”

Computer-generated labels are commonly used to address large mailings. Hand addressing is very effective, but requires legible handwriting and personnel available to complete the task. Volunteers may be willing to join in an “addressing party” to accomplish this otherwise tedious and time-consuming job.

If a separate reply form is used, the label or computer-applied address can be on this form in a position that shows through a standard window envelope. This eases the process for a prospective member to join—the name and address is already on the reply form—and eases processing the

returned new membership when the name and address are in a clearly typed format rather than handwritten by the new member. The label can also include the specific code for the list the name came from, so tracking can easily be done by list.

*The Return Envelope*—On the theory that the easier it is for the prospects to return the completed application, the more likely they are to join, a postage-paid return envelope should be included in the mailing. Business reply mail is a costly but useful option. At this writing each piece of business reply mail costs anywhere from 34 cents to 76 cents depending on the type of permit your organization has with the post office. The regular first-class rate is 32 cents, plus a setup fee for the account. However, as the post office charges only for the envelopes actually used, metering or hand stamping the return envelope in advance is likely to be the more expensive choice.

If you are unable to include a separate response form with the list code on it, the return envelope can be marked with a special symbol or color that relates to the list from which the prospect's name was obtained to indicate the source of the prospect. Keep a tally of new members by source as the responses are received.

Many organizations are following the trend toward increasing use of recycled paper, especially for large mailings. Members of preservation groups have already demonstrated a concern for the environment and potential members will probably share that concern.

### *Postage*

The options here are third-class non-profit bulk, third-class bulk, or first-class postage. Each is available in stamp, meter or pre-printed permit format. Stamped mailed has proven to be most effective in direct mail because it denotes personal correspondence. To use third-class non-profit postage, the organization must apply and be approved by the post office as a qualified non-profit, however, this postage option offers the lowest rates. First-class postage, unless to a very small and select group, is rarely cost-effective, according to *Fund Raising Management*.

The weight of the total package should be carefully monitored to avoid exceeding the one-ounce limit for first class and the three-ounce limit for third class and adding a major expense to the mailing budget.

### *Timing*

The best designed appeal may yield disappointing results if mailed at the wrong time. The most propitious time for an appeal is on the heels of a major success achieved by the organization. In terms of time of the year, mailings at the end of the year, or scheduled to land in homes just after the new year, tend to get the most response. During the summer people are away on vacation.

On the whole, the best time for direct mail to potential members is during the fall or late winter months. The best time of the month appears to be for the letter to be received just before the end of the month, the theory being that the individual will write a dues check as part of the normal bill-paying function.

Variables abound in direct mail. While large organizations with extensive staff have the option of testing mailings more or less scientifically by varying one or more aspects of the package, most organizations have neither the time nor the resources for this approach and tend to rely on trial and error to determine how best to conduct direct mail membership solicitation. An alternative is to hire a consultant to assess the membership marketing program and suggest improvements, or to design

and coordinate a direct mail campaign or even to devise a comprehensive plan for membership development.

### *Mailing Services*

The most tedious aspect of direct mail is the physical sorting and mailing of the material. For a bulk mailing—more than 200 pieces—the individual elements must be folded and inserted, the envelopes sealed, labels and postage affixed, envelopes sorted according to zip code, segregated into bundles of a certain size, packed into labeled post office bags, and carted off to the local bulk mail facility.

All of these functions can be performed by a mailing service if mailing labels and the materials to be mailed are delivered to its facility. Some services even offer the use of their bulk mailing permit for organizations without one. A mailing service can save wear and tear on staff and volunteers and is often a good use of financial resources.

Mailing services can also maintain your mailing list. Drawbacks, however, include limited access to the mailing list, less timely updates, and the increased likelihood of misspellings and other errors. This is a useful option for new organizations and for those in the process of establishing their own computer systems.

### *Follow-Up*

The two options for follow-up are additional written appeals or a telephone call. Calls are impractical for a large mailing, especially since telephone numbers are rarely included in lists obtained from other sources. For small and well-targeted groups, such personal contact as a telephone call allows prospects to find out more about the organization and makes them feel singled out for attention.

Telephone etiquette is extremely important, as many people are sensitive about telephone solicitation. Calls to a residence should be timed to be neither so early as to interfere with the evening meal nor so late as to risk disturbing someone's sleep. As with other fundraising phone banks, callers well versed in the organization's activities will garner the best results. They must also be prepared to ask the prospect directly to join the group. Connecting the phone appeal to participation in an upcoming event imparts a sense of timeliness to the call and encourages quick fulfillment of the pledge to join. The caller must be prepared to terminate the telephone call politely if any irritation is sensed.

Most mailings are followed by additional mailings. How many? The general rule of thumb is to send one or two further requests to join, at least until it is clear that the response is not justifying the cost of the mailings. Successive mailings can be identical to the original, if spaced four to eight months apart, since a potential member who did not respond is unlikely to remember the previous correspondence.

The disadvantage to the direct mail approach to membership solicitation is that it is expensive and requires a substantial upfront investment for an uncertain return. Although even well designed mailings sometimes fail for reasons that are difficult to discern, careful preparation and attention to even the most minor details of the mailing will maximize the success rate.

### **CASE STUDY:**

#### *A State-wide Direct Mail Campaign*

In 1995, the Georgia Trust for Historic Preservation launched two successful direct mail campaigns that garnered 1,700 new memberships, an increase of more than 10 percent.

In January, the Georgia Trust launched the first campaign and mailed more than 54,000 direct mail membership solicitations. The mailing list included National Trust members from Georgia, lapsed Georgia Trust members, state-wide subscribers to several periodicals that cover topics related to historic preservation, and affinity groups. The total cost of the mailing was \$48,453; the cost per piece was \$.89. The mailing included a brochure, a solicitation letter, a return envelope and a Georgia Trust decal.

The organization gained more than 1,000 new memberships from the mailing and received \$49,200 in revenue. Although the total profit was only \$750, the organization will reap the benefits of an expanded membership in the coming years.

The Trust's second direct mail campaign concluded December 31, 1995. The Trust used the same direct mail firm as before and mailed out more than 37,000 pieces. The total cost of this mailing was \$38,000 and the organization gained 648 new memberships.

## **Membership Parties**

A useful way to enhance the ability of one or two individuals to make a personal request to join is to invite any number of prospects to a membership party at which each is asked to join. The invitation is issued jointly in the name of the host(s) and the organization, indicating to the invitees that some kind of request will be made.

The hosts may choose to present the organization's slide show, display printed materials, or speak with partygoers on a one-on-one basis. At least several minutes should be spent with each guest discussing the organization and the benefits of joining. For every 10 or 15 guests, at least one host or representative of the organization should be available to mingle. Some organizations maintain portable displays explaining programs and activities that are particularly useful at large parties. These are most effective when manned by a knowledgeable volunteer or staff person who can answer questions. A list of current members should be available for perusal by potential members.

An alternative to inviting only non-members is to invite current members with the stipulation that each be accompanied by one or more prospects. This ensures that the potential new members will be introduced to current members and encouraged to join.

Membership parties can appeal to all ages and interest groups, depending on their format, and are a relatively simple and fun way for volunteers to participate in the membership solicitation process. One or more hosts will often be willing to band together to underwrite part or all of the cost of the party.

## **Membership Events**

Highly sought-after events can be tied to membership, requiring attendees to join as a prerequisite to participation. Large scale, multiple, or long duration events have the greatest potential for attracting new members. These might include restoration conferences, lecture series, galas, or tours for which the cost of membership is small relative to the total price. Membership may include free admission to the event or the cost of membership may be built in the non-member admission fee. Many organizations have an annual event that is free to the entire membership and sufficiently well-known and popular to attract numerous new members.

Historic Augusta, Georgia, offers a spring event called the Cotton Ball, open only to current paid-up members. New and renewal dues payments are accepted at the door—the only admission price to a party that includes food, music and dancing. Because the event is entirely underwritten by local businesses there is no cost to the organization and the ball encourages lapsing members to renew their memberships.

### *Coupons vs. Feature Coverage*

Printing a clip-and-mail membership application in the local newspaper, a regional historic homes magazine or the organization's newsletter, especially in donated space, seems more effective in concept than in practice. The Georgia Trust's return on coupons by themselves in various media has averaged about one membership per publication. Better to use the space to advertise an event or thank major donors.

Better than coupons is the free advertising provided by articles or feature stories about your organization. In 1987 the Atlanta Journal Constitution ran a sidebar series on membership organizations in the Dixie Living section of the Sunday newspaper. Each week a different organization was highlighted with basic information about mission, benefits and costs of membership, and the group's mailing address and telephone number. Although this may not result in a startling number of new memberships, it presents the organization to an entirely new—and large—audience, has the great benefit of being absolutely free, and will encourage at least a few to join.

### *Premiums*

As an incentive to join, some organizations borrow the public television and radio model of offering tangible premiums, including books, tote bags, coffee cups, and similar items, the more valuable premiums being offered for higher level memberships. While these may be a useful enticement, it is questionable how many new members a premium will garner who would not have joined anyway. The costs of purchasing, packing and mailing tangible goods must also be factored into the equation.

### *Gift Memberships*

Gift memberships are ordinarily not a major source of revenue, but do introduce new individuals to the group who already have some relationship to at least one current member. The most popular time for this is, of course, Christmas, but gifts should also be encouraged during membership drives and throughout the year.

### *Membership Drives*

Attrition occurs at a rate of approximately 20 percent per year for even for the most successful organizations and constantly erodes the membership base. A formal membership drive should be mounted at least every other year and more often if resources permit.

The most effective structure for the membership drive is the pyramid, in which a general chair coordinates the efforts of captains who oversee the recruitment of specific groups. Each captain may recruit other volunteers to assist in the drive.

Target groups for the drive may be divided geographically by cities or counties for state-wide campaigns and by neighborhoods for local organizations or by special interest groups. Corporate membership prospects, for example, might be divided among the real estate, banking, and insurance communities.

Competition and camaraderie among the groups seem to foster good results, especially when prizes or other incentives are provided for high achievers. One technique is to give participants in the drive one chance on a prize drawing for every x number of new members recruited. Campaign workers and their accomplishments should be featured in the organizational newsletter throughout the campaign. Specific kick-off and completion dates with a planned celebratory event at the end of the drive lend a sense of timeliness to the effort. As with direct mail, the peak holiday seasons should be avoided.

Each membership solicitor should be provided with ample information about the organization and a supply of solicitation tools, including brochures, fact sheets, stationery, return envelopes and recent issues of the newsletter. All these materials should be arranged in a packet that ideally will also include a motivating letter from the membership chair with the timetable for the drive. A well-organized information kit will lighten the load of the solicitor and enhance the image of the organization when personal calls are made.

### *Welcoming New Members*

What does the new member receive upon joining the organization? This will be his or her first opportunity to learn how the organization treats its members and can set the tone for the relationship. The new member packet should include a letter or note of thanks for joining, a membership card that indicates the level of membership and its expiration date, the most recent issue of the newsletter, and other information about the organization and the benefits of membership. Contact should be made immediately upon receiving the completed membership application, so that the new member feels a part of the organization as soon as possible.

#### **CASE STUDY:**

### *A Local Corporate Membership Drive*

For many years, the Galveston Historical Foundation (GHF), a local preservation organization with a membership of approximately 4,000, mounted a highly successful campaign known as the “Business Blitz” that drew in an average of 50 new corporate members every year.

Planning began in earnest four months in advance of the Blitz. A membership committee reviewed previous years’ activities and evaluated a master list of local corporations, prepared by the staff, in order to set specific goals for the current year’s campaign. Active and extroverted Blitz volunteers participated in a workshop at which GHF staff provided training on the organization, solicitation skills, and the specific economic benefits that historic preservation contributes to the community. At this time workers also selected a theme for the campaign, formed teams, planned a Business Appreciation Party, and were assigned as many as five prospects each.

Publicity included editorials in the local newspaper about the benefits of preservation, press releases about the Blitz, a special issue of GHF’s newsletter featuring the campaign, and radio and television appearances by volunteers.

Local businesses were invited to the Business Appreciation Party, which was held the week before the actual solicitations began. The party’s location varied from year to year, but an attempt was made to hold it at a site not usually accessible to the public. Campaign workers provided all the food, entertainment, and other underwriting for the event. The teams came in costume and presented comic skits relating to the campaign theme. The party was intended to provide a fun balance to the serious message that would be delivered the following week.

At the end of the Business Appreciation Party, workers picked up their solicitation packets, which included a card for each of the prospects they had chosen to solicit. The cards were small enough to carry in a purse or pocket, but provided all the necessary information about the prospect, including the level of membership to be requested.

Solicitation took place over the course of one week in order to sustain the momentum of the campaign. Teams kept in close contact during this period to compare progress.

At the end of the Blitz, results were announced and prizes awarded at a wrap-up party.

The Blitz was designed to involve very active members of the community by ensuring that the campaign was, first and foremost, fun. The Blitz was highly structured and organized to ensure the most efficient use of workers' time and the prizes were sufficiently desirable to serve as real incentives. Careful planning resulted in successful recruitment of new members and new volunteers, while generating positive publicity and excitement in the Galveston community that ultimately translated into support for the Galveston Historical Foundation.

### *Joint Memberships with Other Organizations*

State-wide preservation organizations particularly may benefit from joint membership programs with local preservation organizations or historical societies. The Historic Landmarks Foundation of Indiana (HLFI) operates a successful program in which local organizations can opt to offer their members automatic joint membership with HLFI.

The local organization currently pays HLFI \$6 per member per year to cover some of HLFI's member service costs. In return, each joint member receives all of HLFI's basic member benefits. HLFI is then free to use these joint members as part of its donor base, mailing them an average of three appeals per year. Although the \$6 fee does not cover the entire cost of providing HLFI benefits to joint members, the difference is more than compensated for by the revenues generated through other requests for donations. The local organizations profit from the ability to offer the joint membership package with the state-wide as one of their membership benefits.

One disadvantage to joint membership programs lies in the logistical complexities of bookkeeping and servicing the memberships, i.e., the need to maintain mailing and renewal information and address corrections for both organizations. Another is that the combined dues for joint membership may be perceived as so high that the member elects to pay neither. The question may arise as to which group "owns" the names if one is perceived by the other as soliciting contributions too often.

Another potential problem for the state-wide partner is that the program may erode its membership base if its full dues-paying members opt to take advantage of a cut-rate joint membership through their local preservation organization. However, for organizations in the process of building a membership base, joint or affiliate membership programs may prove an excellent source of targeted prospects.

### **Counting Members**

Members can be counted in two ways:

- as memberships, the number of dues-paying units or membership records, or
- as members, a larger number which is generally an estimate.

To determine the total number of members, most groups count individual and student memberships as one member and all other levels as two members. Although it may be argued that organization and corporate memberships represent far more than two members, this is a useful convention, especially in public relations and fund raising. Any method may be used, as long as it is applied consistently.

### *Building the Dues Base: Upgrading Members*

Although emphasis in membership development is generally focused on broadening the membership base by adding new members, at least as much effort should be devoted to increasing revenues by upgrading existing members to higher levels. Members will tend to maintain their current membership level indefinitely unless given an incentive or specifically asked to do otherwise.

Upgrading techniques are similar to those for attracting new members; one-on-one requests and direct mail, with greater emphasis placed on tangible incentives.

### *Recognition*

The most cost-effective incentive is recognition. Most organizations publish a list of new and upgrading members in a newsletter or annual report, arranged by membership level. Most people love to see their names in print and the list encourages others to join.

### *Events*

Another common way to recognize increased support is through events available only to members at a certain level of membership. The event may be a reception held in conjunction with the annual meeting or other regular activity, a preview to another event, or a special affair held for the express purpose of recognizing substantial support of the organization, such as a dinner.

Generally the organization absorbs the cost of these functions or obtains outside sponsorship, although some groups make events for which a fee is charged available only to higher level members. Many may choose not to take advantage of such an event, but the mere fact that they are invited is another form of recognition that reminds them that their support is valued by the organization.

For organizations that offer specific activities to higher level members, a special mailing to members at the next lower level just prior to such an event encourages upgrading.

### *Premiums*

As a one-time-only offer, members can be offered a special gift as an incentive to upgrade, perhaps a newly-released publication. Timing is important. Premiums are particularly attractive in the fall when thoughts turn to Christmas gifts and there is the added inducement of a yearend tax deduction.

## **Membership Renewal**

Of equal importance to the broadening of the membership base is the retention of existing members. A healthy renewal rate—80 percent for non-profits of all kinds—demands prompt, accurate and efficient service to existing members, as well as constant attention to their needs.

Renewal rates are a barometer of short and long-term market conditions both within and outside the organization. Because the rate will vary dramatically throughout the year, renewal records should be kept over the course of an entire year before the average rate is calculated. December will often show a higher than average rate because of the tax year; March and April may be dismal because of the financial burden of income taxes.

Renewal rates are much lower for lower level members than for larger donors. Renewal rates for new members are also lower, with as many as 50 percent lapsing. A very successful membership drive is often followed by a disturbing overall decline in renewal when a substantial number of new members are included in the average.

Because of the additional expense incurred in soliciting new members, keeping members is more cost effective than replacing them with new ones. Therefore, at least as much effort should be devoted to maintaining a healthy renewal rate as is devoted to encouraging new members to join.

Although the perceived lack of benefits is an important reason for lapse of membership, a surprising number of individuals fail to renew without a specific reason—making them particularly good candidates for solicitation at a later time.

Careless record keeping is often cited by former members as a reason for cancellation. Misspelled names or duplicate renewal notices may seem minor to the organization that routinely processes hundreds of records, but these errors suggest to the member that he or she is not valued by the group. Such problems can be forestalled by attention to accuracy in record keeping and careful crosschecking of mailing lists. Taking the time to make a simple apology when a mistake does occur can make the difference.

A more delicate, but less common, reason for membership cancellation is opposition to a position taken by the organization on a sensitive issue, and many organizations avoid taking controversial stands for just that reason. Preservation issues can polarize the community and a decision to oppose a development seen as necessary to the economic wellbeing of a community has decimated membership in more than one preservation organization.

Occasional disagreement is inevitable. Some situations may require personal attention from a high-ranking official in the organization, either via letter or a personal phone call, to explain the position to the member and solicit his or her opinion. This is especially true when the individual is a member of long standing, one who is obviously a member who cares about the organization. An expression of concern emphasizes that the views of all members are important and will be incorporated insofar as possible in the policy of the organization. On the other hand, taking a stand on a controversial issue in the community has also resulted in increased renewal by members and higher gift levels.

Some attrition is normal—members move out of the area, pass away or become involved in other issues. The most lamentable reason, however, is that the membership languishes—the member feels out of touch with the organization and ceases to recognize the benefits of belonging. Fortunately, this type of loss can be avoided through periodic assessment and improvement of membership services.

### *Renewal Notices*

Depending upon the size of the membership, renewal notices may be sent annually, quarterly, or monthly. For the sake of optimizing the revenue stream, the more evenly membership revenues are distributed throughout the year, the better. Some organizations, however, have found it more

efficient to process renewals once a year, in order to devote the rest of the year to new member development or other tasks.

The first notice of renewal is mailed as much as two or three months prior to the membership expiration date. Although a personal letter requesting renewal is sometimes used, an invoice format is more cost-effective. The tendency is for the member to pay the “bill” as a matter of course, rather than to ponder the pros and cons of membership renewal. In order to encourage the member to maintain—or upgrade—his or her current level, you should include on the form only the current and higher levels as options for renewal.

Three or four renewal notices may be necessary, with increasingly emphatic messages, sent at intervals of about one month. Historic Savannah Foundation has a particularly effective series of renewal notices: each successive renewal notice depicts a building in increasingly deteriorated condition.

When invoices fail to precipitate renewal, alternatives include a personal letter from the president or executive director or a telephone call to discuss the reasons for nonrenewal.

## Maintaining Member Records

Most organizations start out by keeping track of members manually, with an index card for each membership that contains mailing information, personal data and a giving history. Cards are arranged alphabetically and, for a state-wide organization, may be organized by town or county.

Computerized mailing labels may be generated by a mailing service or the labels may be typed by volunteers or staff.

As soon as resources permit, the transition to an automated in-house system should be made. In-house maintenance of a database is more efficient, enables the organization to retain control of the membership information, minimizes transfer errors, and speeds service to the members. It also permits access to the list for other purposes, such as statistical analysis.

Selection of database software requires study, technical knowledge, and some experience with manipulating donor data. The possibilities seem limitless and range from very simple file managers (similar to a computerized card catalog) to “relational” databases that can link together and simultaneously update information in several different lists.

Most database software programs can be adapted for effective use by non-profits, although the more sophisticated and flexible require knowledge of computer programming techniques. Although it may be tempting to use a system customized specifically for the organization, standard pre-packaged software is preferable because technical assistance support for it is more commonly available. An organization can be crippled if a programmer creates an esoteric program and then he or she ceases to be available to access or alter the program. Always ensure that any programmer provides detailed documentation of his or her work.

Whatever software is used, several copies of the membership database should be maintained, including one offsite to guard against loss by fire or other damage to the building. All backup copies should be updated at least once a month, although once a week is preferable. The ability to alter information on the database should be restricted to one or two fully trained staff or volunteers. Most programs have a feature that allows only designated users to alter information, while allowing unlimited access to other regular users.

Membership data are part of the financial base of the organization and are therefore priceless. Few groups could survive the total loss of their membership records.

## Summary

The key concepts in membership development and retention are service and participation. Each member must feel that he or she will derive ongoing, personal benefit from belonging and that association with the organization is a source of pride. Frequent contact, through mailings, events, and publicity, enhances the perception of service, encourages participation and increases the visibility of the organization. The opportunity to personally contribute to the organization as a volunteer binds members to one another and instills loyalty to the organization. Positive community recognition is the most important factor in attracting new members and retaining old members, as well as the most important goal for any preservation organization.

## Acknowledgments

*Membership Development: A Guide for Non-profit Preservation Organizations* was written by Catherine A. Horsey. Ms. Horsey is the executive director of Preservation Dallas and the former assistant executive director of the Atlanta based Georgia Trust for Historic Preservation. Information on successful membership development efforts was provided by B. J. Herz of the Galveston Historical Foundation, Dixie Tamanaha of Historic Hawai'i Foundation, Missy Whitfield of the Historic Preservation Alliance of Arkansas, Reid Williamson Jr. of the Historic Landmarks Foundation of Indiana. Georgia Trust staff members contributed much appreciated advice, assistance and editorial comments and enthusiastic staff and volunteers of preservation organizations across the country willingly shared their successes and failures.

*This publication was updated in 1996 with the help of Craig Lamb, director of membership development at the National Trust for Historic Preservation.*