



THE JOURNEY AHEAD:

**The Future of Associations,
Nonprofits and Events**

JANUARY 2021

A LOOK BACK AT THE PAST YEAR

It's been quite a year. On January 9, 2020, the World Health Organization announced the presence of a mysterious Coronavirus-related pneumonia named Covid-19 in Wuhan, China¹. Cases of the virus began to multiply rapidly in Wuhan and soon began appearing in other countries, with the first U.S. case confirmed on January 21st. Although strict lockdowns were implemented in Wuhan and the U.S. restricted travel from China and other countries with growing transmission, the virus began spreading in the U.S. and a State of National Emergency was declared on March 13th.

Many states implemented stay-at-home orders and lockdowns to prevent the virus from additional spread, and businesses were faced with tough decisions about upcoming events and activities that they had planned. Association and nonprofit organizations found themselves in a challenging position. The spring and summer months are when many annual conferences and tradeshows are held, and organizations had signed contracts with venues, hotels, catering companies and more. A study by the ASAE Research Foundation found that, as of June 2020, 71% of associations had cancelled at least one event and more than a third had cancelled three or more events².

Beyond events, associations and nonprofits gathered their teams together (often times now fully remote) to discuss new programs and needs that emerged as a result of Covid-19. Many organizations quickly developed and hosted educational sessions on topics such as personal protective equipment (PPE), applying for federal aid and the new paycheck protection program (PPP), guidance from the Centers for Disease Control and Prevention (CDC) specific to their industry, and more. The ASAE Research Foundation reported that 90 percent of associations began providing industry or trade-specific online education and 56 percent began providing resources that focused on an individual's mental health and well-being in the early months of the pandemic³.

71%

of associations had cancelled at least one event

> 1/3

had cancelled three or more events

At the same time, many companies furloughed or laid off workers and associations and nonprofits thought carefully about how to pause payments or provide extensions to their members, donors and supporters for membership renewals, recurring donations, event registration and more. These organizations had to make these decisions in a condensed time frame and with a remote workforce, which was new for a majority of these organizations.

While the pandemic has created new challenges that require organizations to make increasingly difficult and complex decisions, the good news is that many associations and nonprofits have been resilient and evolved their strategies to reach people in new ways. For most, 2020 called into question the assumptions we had about the way we work, the way we interact and how we grow our businesses.

Personify wanted to understand the impact of these changes for associations and nonprofits and the new tactics, channels and strategies they have embraced to provide value for members, donors, volunteers, attendees and exhibitors. We commissioned a research study in December 2020 to create a clearer picture of:

- The perception of membership and what has changed in the past year
- The programs and outreach techniques most effective in reaching members
- The rise of virtual events: what's working and what's not
- The value of digital networks and community
- The differences observed among association members and staff

While each organization is unique, Personify believes our findings can inform membership organizations, nonprofits and event professionals as they look to develop strategies designed to support the long-term growth and success of their organization. Organizations should take the opportunity to survey their own members and evaluate their responses against the trends noted in this study.

Survey questions were explored with 500 association and nonprofit members and 465 association employees in the United States. The online surveys took place in December 2020 and the margin of error is +/-4.4%. All subgroups cited in this report contain at least 50 interviews.



KEY FINDINGS

Here's what we learned.

THE VALUE OF MEMBERSHIP

- Association membership remains valuable and nearly half of respondents said it's becoming more important than it used to be.
- Career skills and certifications are a crucial benefit. This is particularly important now given the job losses associated with Covid-19 and resulting tight labor market.
- Advocacy is also incredibly important given that associations are advocating for members and their profession or industry to lawmakers and governmental bodies and providing education about loan programs, new protocols and changes resulting from the pandemic.

ENGAGEMENT BEST PRACTICES

- Association staff overwhelmingly report that they had to significantly change the way they connected and engaged with members in 2020. Virtual and digital engagement played a crucial role and will continue to do so.
- Associations are seeing success with their new programs and engagement strategies. Two-thirds of members were just as engaged with their association in 2020 as in 2019 and almost half of members report higher levels of engagement than in the previous year.

VIRTUAL EVENTS

- Staff report that events typically make up 40% of revenue and, therefore, they had to make careful considerations about how to move forward in a socially distant world. Of staff respondents who held a virtual event in 2020, 91% said that it was valuable in meeting association members' needs.
- Virtual engagement is here to stay. Going forward, nearly all survey respondents want virtual and hybrid options in addition to in-person events.

DIGITAL TOOLS

- Staff tend to overestimate how often members want to receive digital content. The ideal frequency is between weekly and monthly, with 81% of members desiring a weekly, twice per month, or monthly communication from their association.
- This study finds that a private online community for members is an underutilized channel. While only 19% of staff report using this channel, 31% of members want to engage with their association in an online community.

TECHNOLOGY

- Nearly half of association staff report that purchase timelines accelerated in 2020 for investing in digital and technology solutions with community software, virtual event software and member self-service tools being purchased most frequently.

NOW, LET'S DIG INTO THE DATA. ►

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PERCEPTIONS AND THE VALUE OF MEMBERSHIP

In previous studies, Personify has explored the value of membership and sought to understand the increasing or decreasing importance that associations play in enabling members to create connections, expand their skillsets and grow in their careers. Respondents in previous studies told us that association and nonprofit membership is valuable, and the current study only reinforces those sentiments.

Many organizations feared that the effects of the Coronavirus pandemic would lead to membership decreases and a perceived reduction in value given the loss of in-person events. Personify's new report shows that this is not the case, with 93 percent of respondents saying that it's important to be part of an association. When asked about the evolving roles of associations, 44 percent of members said that it is becoming more important to be part of an association than it used to be and 48 percent report that it's staying as important as it was previously. Only 7 percent of members cite that it's becoming less important, which reveals that **associations and nonprofits have done a good job of delivering value and adjusting to their members' needs throughout the pandemic.**

In fact, Personify asked this same question in a 2018 survey and 87 percent of respondents reported that it's important to belong to an association, which means that 6 percent more of respondents report association membership is valuable versus two years prior.

When looking at perceptions among different generations, Millennial respondents in this survey were the most likely to say that being part of an association is becoming more important while Generation Z and Boomer respondents were slightly more likely to say that being part of an association is becoming less important. This finding should help negate fears for organizations who worry about being relevant and valuable to Millennial members while also highlighting the importance of ensuring they understand the needs of Gen Z members and can deliver relevant content and programs. Our study also finds that the younger members are the ones most likely to find association membership as valuable in their careers and personal lives.

ASSOCIATION INVOLVEMENT

More than half of members responding to Personify's study report belonging to more than one association, with 30 percent belonging to two associations and 21 percent belonging to three or more. Interestingly, Generation Z members are the most likely to belong to more than one association and Generation X members are the most likely to belong to only one association. It may be the case that individuals who are earlier in their careers are interested in multiple career paths and use association membership to learn more about their career options. It may also be the case that younger members are able to devote more time to associations and nonprofits because they are less likely to be juggling career responsibilities with parenting and other family responsibilities.

When asked about when they became active with their most prominent association, over half of member respondents became active within the past five years. This is certainly the case for younger members, with around 80 percent of Millennial and Gen Z members becoming active in the past five years. This makes sense as many are early in their careers and have less history than older members with an association.

93%

of respondents say that it's important to be part of an association.

REASONS TO JOIN

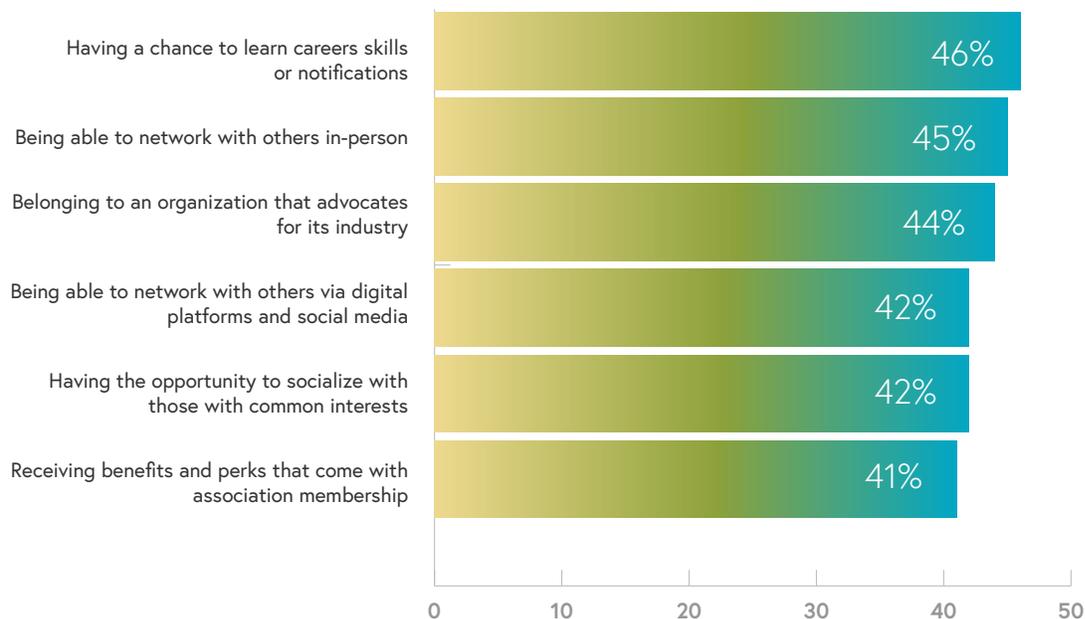
When members were asked why they actively engage with their association, 46% said it was very important to have the chance to learn career skills or certifications. This makes sense when considering the severity of job losses that occurred as a result of Covid-19. At the height of the pandemic, the U.S. economy shed 22 million jobs in March and April 2020⁴. While some of these job losses were temporary and others have been regained, unemployment remains high and workers need to stand out in a competitive labor market. Associations that are able to provide new skillsets, professional development opportunities and industry certifications can ensure their members are strongly positioned for new roles and help furloughed or laid off workers gain new skills while they job hunt.

Following closely behind career skills or certifications, survey respondents cited the ability to network with others in-person (45% report as very important) and belonging to an organization that advocates for its industry (44% report very important) as other top reasons to be part of an association.

The latter is particularly important over the past year as associations and nonprofits have increasingly lobbied and advocated on behalf of their members for federal relief, loan programs and more. Organizations should consider crafting a year-end summary of a special Covid-19 report that details their advocacy work on behalf of members and the industry at large to drive visibility for the benefit of belonging to an association.

How important are each of the following as reasons to actively engage in an association?

% Saying Very Important



WHAT'S CHANGED IN THE PAST YEAR

In the study, we also wanted to understand which of the various reasons for joining an association had become more or less important in the past year. Among association members, the biggest changes reported include being able to network with others via digital platforms and social media, with 47 percent of members saying that this has become more important, and having a self-service member community that can be accessed virtually, with 44 percent of members reporting that this has become more important over the past year.

According to the 2018 Membership Marketing Benchmarking Report from Marketing General⁵, 46 percent of associations do not have an online community for members. These numbers may have changed as a result of the pandemic, but there is an opportunity for associations to better engage their members and constituents through an online community and digital networks, and members in this study are interested in engaging via this channel.

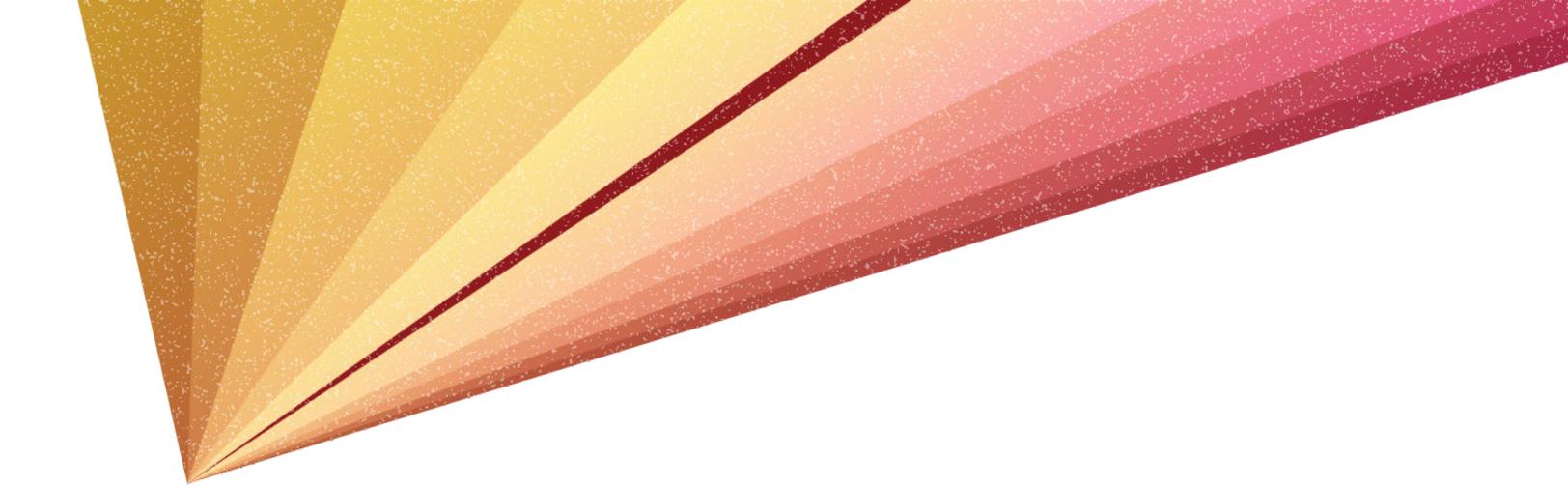
Of all the reasons listed for belonging to an association, the two factors that were cited most often as becoming less important over the past year include being able to network with others in-person (23%) and enjoying the status of belonging to a prestigious organization (19%). The decreasing importance for in-person networking makes sense given social distancing efforts during Covid-19 and the resulting reduction in in-person events but the latter reason is quite interesting. It suggests that simply belonging to an association may not be as inherently valuable as it once was and that organizations need to deliver value across programs, content and activities and ensure that members internalize that value as well.

These same questions about association benefits and their relative importance were asked to association staff as well. This study found that employees are generally more likely to think their members will appreciate these reasons to engage in an association than their members actually report, and this is especially true for the benefit of networking in person and the prestige of belonging to an association.

44%

of members report that it's become more important to have an online member community in 2020 than in 2019.





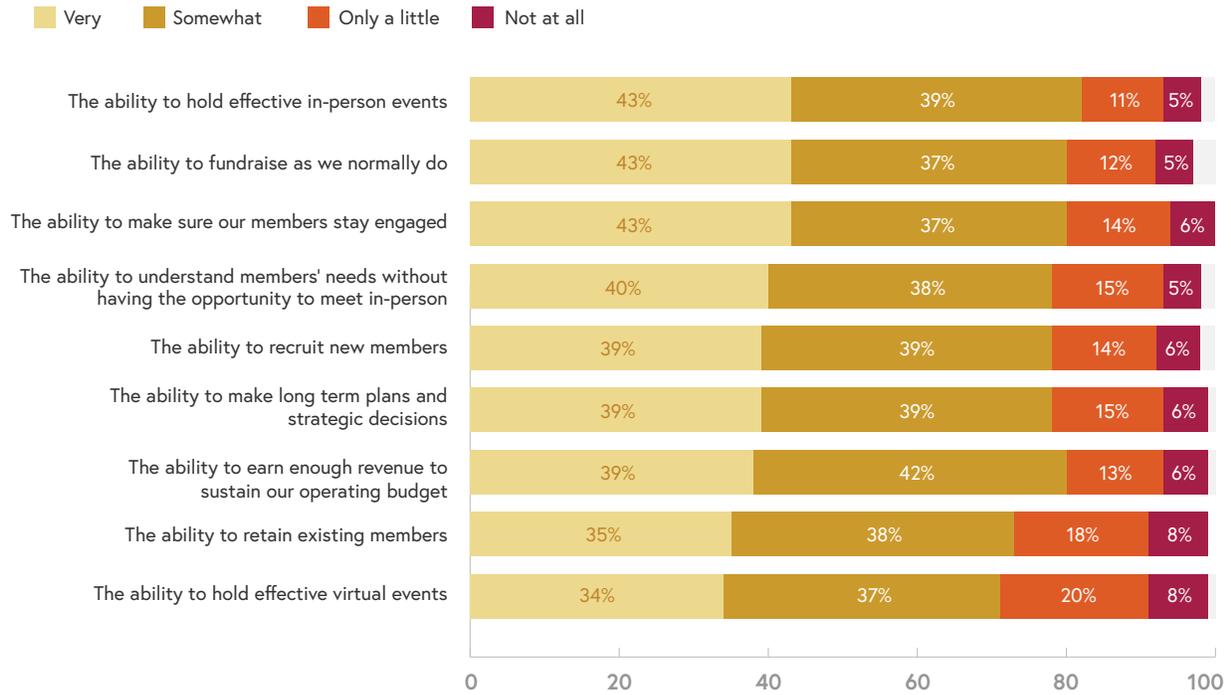
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THE EFFECTS OF COVID-19 ON ENGAGEMENT

In this study, Personify wanted to understand the effects of the Covid-19 pandemic on the ability for associations and nonprofits to connect, engage and deliver value to their members. Employee respondents report that these have been the most challenging activities over the past year:

- The ability to hold effective in-person events
- The ability to fundraise as we normally do
- The ability to make sure members stay engaged
- The ability to understand members' needs without having the opportunity to meet in-person

How challenging have each of the following been for your organization in 2020 amidst the COVID-19 crisis?



While some employee respondents reported that holding virtual events has been challenging, it ranked the lowest overall among all potential options, which indicates that it is a challenge that organizations have met with some success.

MEANINGFUL CONNECTIONS

The study also asked staff how difficult it has been to meaningfully connect with members of an association given the current health and safety issues resulting from the pandemic and we asked this same question to members about meaningfully connecting with their association. Employees are especially cognizant of the fact that making a meaningful connection has been difficult during COVID-19, with 74% reporting that it has been somewhat or very challenging. Members agree, but to a lesser extent, with only 63% reporting that it has been somewhat or very challenging.

Nearly 90 percent of association employees surveyed agreed with the statement, "In 2020, we had to significantly change the way we engaged our members," with 50% of those strongly agreeing with this statement. A similar number agreed that, as they look toward the future, staff will be doing more virtual engagement than in the past. While many organizations have increasingly leveraged digital channels to connect with members, donors, attendees and exhibitors in recent years, respondents in this survey overwhelmingly agreed that the Covid-19 crisis accelerated how quickly they moved to digital engagement techniques.

Finally, when asked about engagement in 2020 compared to 2019, nearly half of member respondents report being more engaged in 2020 than the previous year and only 28 percent of respondents report being less engaged in 2020. This finding, like others in this research, points to the success that associations and nonprofits have had in adapting and evolving their strategy to remain relevant and provide value.

90%

of association employees surveyed agreed with the statement, "In 2020, we had to significantly change the way we engaged our members."

3

THE RISE OF VIRTUAL EVENTS

One of the difficult decisions that associations and nonprofits faced over the past year was whether to develop virtual events for their members, attendees and exhibitors, attempt to hold in-person options with additional safety precautions, or forgo them completely until they could safely return to an in-person option. In a typical year, employees in Personify's research report that on average, **annual events typically make up 40 percent of an association's revenue**. Therefore, the decisions made around an organization's event strategy in 2020 likely had significant effects on revenue projections, the ability to deliver programs and content, and more.

Many organizations chose to move forward with virtual events to support their members during the pandemic and there have been unexpected opportunities and areas of growth. According to a 2020 report released by Bizzabo, the lack of traditional barriers such as travel, time and expenses means that audiences have grown as much as 80 percent for virtual events⁶.

In this study, we asked about different event types to understand which ones staff have used recently and that members have participated in. Member respondents were most likely to report attending a conference, workshop or training (70%) and employees were most likely to report this same type of event as a revenue driver for the organization (63%). Other event options such as a fun run or race, silent auction, gala or party and golf or sporting event were seen by employees as less successful in terms of driving revenue and were less likely to be attended by members.

STAFF PERCEPTIONS

Personify's research finds that over half of association staff report coordinating a virtual version of their typical in-person event in 2020, 27% replaced it with a different type of event and 20% said that their organization decided to forgo the in-person event altogether.

Of survey respondents who held a virtual event in 2020, 91 percent said that it was either somewhat valuable (42%) or very valuable (49%) in meeting association members' needs and we saw similar results for the organization's ability to keep members engaged. The results were slightly lower in terms of the virtual event's ability to drive revenue for the organization. This is not entirely a surprise given that many associations and nonprofits made the decision to reduce registration fees for their annual event, had reduced exhibitor/sponsor participation or made it free in light of layoffs, furloughs and difficult financial situations that many members experienced as a result of the pandemic.

In fact, a report from the Merkle Group found that more than 70 percent of nonprofits reported a decline in marketing spending in 2020 as a result of the Coronavirus pandemic and a significant chunk of this investment came from the loss of in-person events⁷. The fact that many organizations decided to spin up virtual event offerings makes sense given concerns about revenue and the need to tap into reserve funds.

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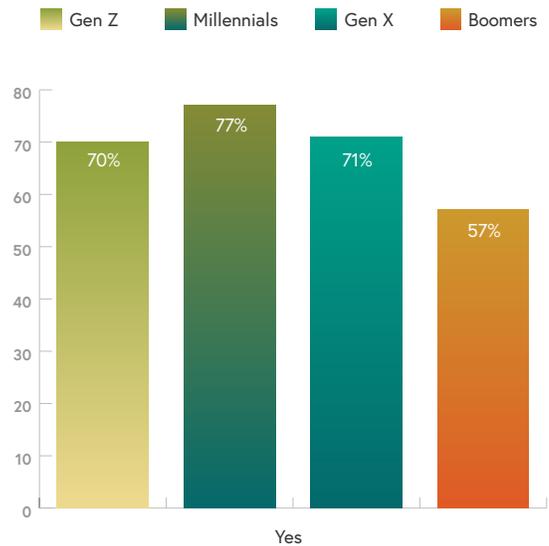
MEMBER PERCEPTIONS

Personify's research found that 58 percent of members responding to our survey report participating in a virtual event in 2020, which was higher than any other activity listed. While many people have experienced "Zoom fatigue," our research shows that virtual events remain a successful way to connect with association members, with 44 percent of members saying that virtual events have "led to meaningful connections with your association." This tactic was noted as the most successful for driving meaningful connections among all activities and programs that respondents could choose from.

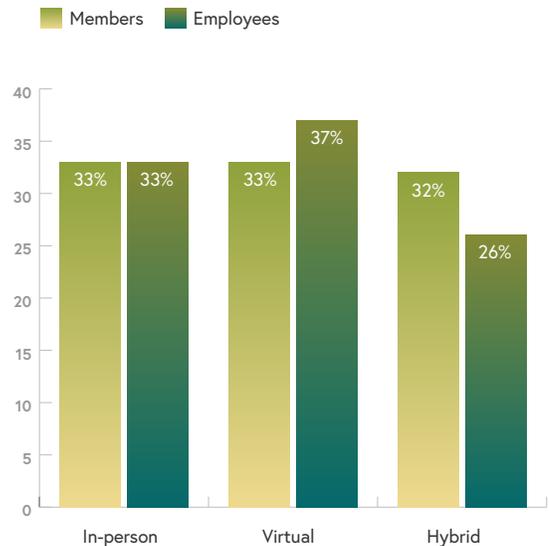
According to Personify's research, two-thirds of members say they attended an event in 2019. Similarly, two-thirds of members say they would have attended an in-person event but were unable to in 2020. Of survey respondents who attended an event in 2019, the research revealed the Gen Z and Millennial association members were the most likely to report attending events for their association and Boomers were the least likely to attend.

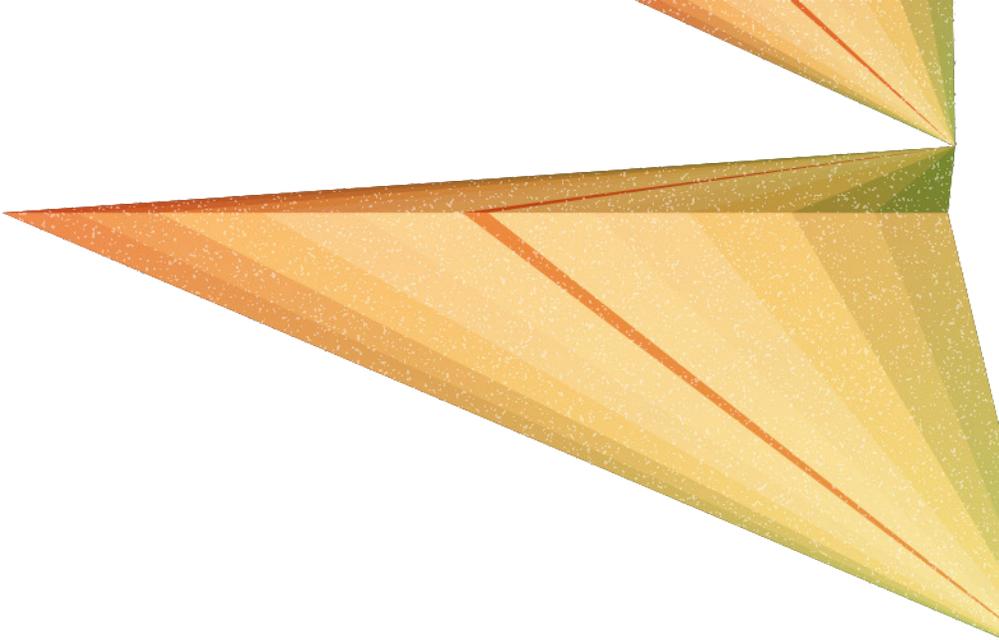
More than nine-in-ten members felt the most recent virtual event they attended was at least somewhat valuable, and more than one-in-three say it was very valuable. Both member and employee survey respondents are split between whether future events should be in-person, virtual, or hybrid.

Did you attend an in-person event for your association in 2019?



In the future, assuming all events have been considered safe, what type of event would you prefer?





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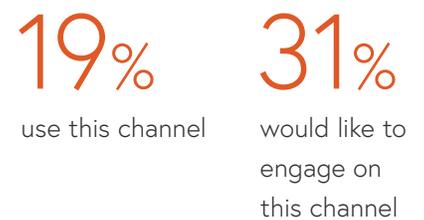
DIGITAL TOOLS AND CHANNELS

With the loss of in-person events as an effective channel for associations and nonprofits, we've seen a significant rise in digital programming and tactics to reach members, donors and volunteers. In Personify's latest research, we wanted to understand how organizations are leveraging their digital channels and how effective they've been at engaging members and constituents.

Survey respondents were asked how often association members want to receive digital content. In general, employees tended to overestimate the degree to which members want to receive digital content from their association, though about one-in-three members want something each week or more. The sweet spot for communication frequency appears to be somewhere between weekly and monthly, with 81% of members supporting a weekly, twice per month, or monthly communication from their association.

In this study, Personify inquired about the digital channels where members want to be reached and the channels that association staff currently use. Facebook remains the most effective channel followed closely by Instagram in terms of where associations are currently communicating and where members want to be engaged. Twitter may be an overused channel with half of associations leveraging it while only a third of members citing an interest in following their association on Twitter. An underused or unexplored channel that has gained traction in multiple areas of this research is a private online member community, with only 19% of employee respondents saying that they use this channel while 31% of member respondents would like to engage here.

An underused or unexplored channel that has gained traction in multiple areas of this research is a private online member community.



WHAT'S CHANGED IN THE PAST YEAR

We also asked about increased or decreased usage in 2020, as compared to 2019, and members report that personalized emails, Facebook, the association's website and newsletters are the digital channels where they have increased usage the most in the past year. Members cite using print magazines and receiving direct mail less frequently in 2020 than in 2019, which makes sense given that many people are working from home and it may be difficult for organizations to retain updated mailing addresses.

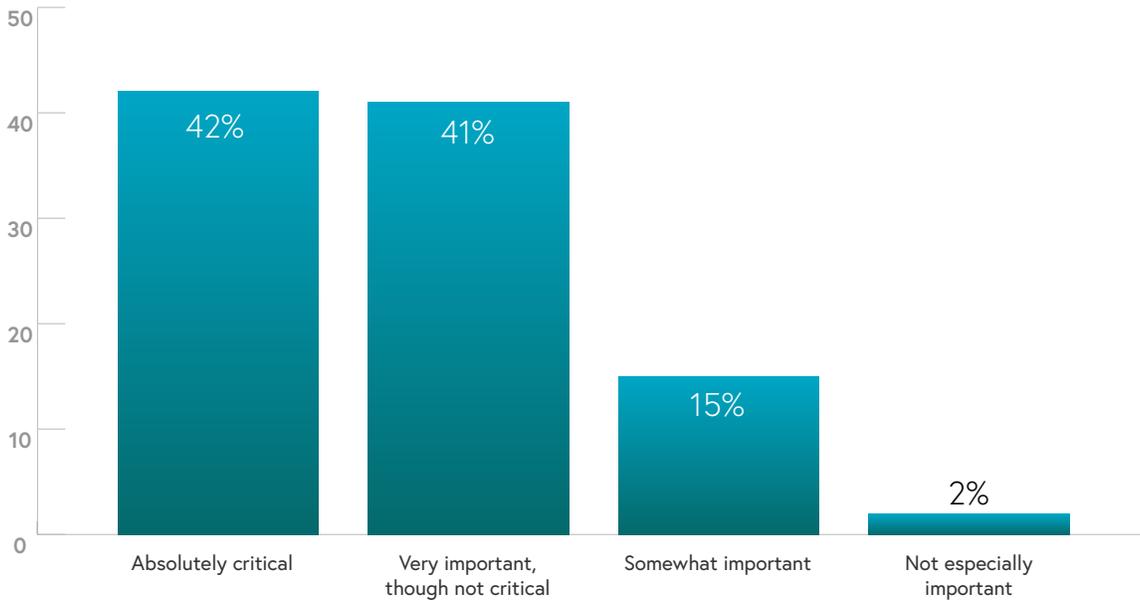
When association employees were asked the same questions about digital channels, they reported similar results with one exception. Forty nine percent of employee respondents said that they used Instagram more in 2020 than in 2019 but only 30 percent of members reported this increase in 2020. This suggests that while associations may be active on Instagram, their members are not yet aware of these efforts or are less interested in engaging with their association on this channel.

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TECHNOLOGY INVESTMENTS

As part of this study, Personify wanted to understand if associations made changes to their technology investments and strategy to better support both members and staff over the past year. Among employee respondents, 81 percent report that their organization's use of digital technology has evolved over the past year. Employee respondents also report that the current environment has accelerated the pace at which members have acclimated to new technology and nearly half say that their organization is much more comfortable engaging members via digital channels now than before the pandemic.

How important has technology been in keeping your association membership engaged in 2020?



We found that 83% of employees say that technology has been at least very important, including 42% who say it has been absolutely critical, in keeping association members engaged in 2020. While there are concerns about the ability for both members and staff to adjust to digital programming, 76% of employees shared that it has been easy for their organization to shift to digital programming, with just one-in-four saying that it was somewhat or very difficult.

Nearly half of organization staff also report that purchase timelines for investing in digital and technology solutions have accelerated over the past year whereas 42 percent say that investments stayed the same and only 5 percent report that timelines have decelerated. Among the technology options listed in the study, employees say their organizations have most realized the importance of over the past year are online community solutions, virtual event software and member self-service tools. On a second tier, strong majorities also say that in-person event management software, learning management systems (LMS), association management systems (AMS), and member-centric job boards remain important.

42%

of organization staff report that purchase timelines for investing in digital and technology solutions have accelerated over the past year

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WHAT'S NEXT

Personify's research offers a snapshot into how association members and staff are thinking about their programs, engagement and strategies for the coming year. But the pandemic isn't over, and the timeline for vaccine distribution remains unclear. Organizations will likely need to revisit their strategic plans more than once and these research findings can help inform opportunities and gaps that may exist.

While each organization is unique, Personify believes our findings can inform associations, nonprofits and event professionals as they look to develop strategies designed to support the long-term growth and success of their organization for the journey ahead. Organizations should take the opportunity to survey their own members and evaluate their responses against the trends noted in this study.

While the past year has created many challenges in engaging with members, donors, attendees and exhibitors, Personify is committed to helping organizations adapt and become more resilient than ever. Our trusted solutions help organizations manage during and through these times with digital connections, virtual programming, a single source of truth for their data, and peace of mind for their members.

**Learn more
about our
solutions
and market
expertise.**

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