



# WHITE PAPER

## **DATA IS YOUR FRIEND:**

HOW ANALYTICS CAN HELP YOU MEET YOUR  
ASSOCIATION GOALS

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## INTRODUCTION

A 2010 joint study by MIT Sloan Management Review and IBM Institute of Business value found that organizations with solid data analytics programs outperform those who are just getting into analytics by a factor of three to one.

Analytics can provide a variety of benefits to an organization, but many associations are still slow to embrace the opportunity. Their reasons range from concerns about costly database platform integrations to worries that the process will be too complex -- or, they may just be bogged down in their status quo.

Whatever the reason for resistance, the truth is that data analytics can help associations run more efficiently and create solid, effective strategies for growth. By studying and finding trends in the data your association collects, you can better serve your members' needs and the marketplace in general.

## WHAT CAN DATA DO FOR YOU?

Business intelligence (which is, essentially, turning raw data into meaningful visualizations and summaries) delivers many benefits that make it worth the strategic investment.

First, an effective data analysis process helps you better understand your member and non-member behaviors. This understanding can improve your retention rates, publication circulation, sponsorships, event attendance and more.

Having a full understanding of your members' wants, needs, and behaviors, as well as factors for conversion can also help you deliver more comprehensive event programs, improving the online and onsite experience of your attendees.

Your communication with your members will be more targeted and draw increased member engagement if you fully understand what your members need from you. A sound data analytics strategy can also help you with segmentation of your members and event attendees, so you can customize your message to speak to their needs.

A good example of this is Netflix. The streaming video and DVD rental giant uses data to customize its content to its audience. Customer behavior and demographics help Netflix come up with shows and episodes in a strategic, scientific manner.

This is a far more efficient model than the traditional process of running a test pilot for a TV show to gauge audience response. That old model is increasingly being set aside as media companies leverage the data they capture to create content they know their audiences will love -- and then using social data to build that audience base.

Associations also have tons of data on their members. This data can help them create programming content, increase engagement in the community, strengthen networking at events, and increase event attendance.

More comprehensive and understandable data provides better targeting for your marketing efforts, which can greatly improve your ROI. You can also use your improved data handling and analytics to test your marketing efforts -- such as coming up with A/B testing for a direct mail piece.

## **DATA IN ACTION: THE US TENNIS ASSOCIATION**

To illustrate what data can do for an association, let's look at the US Tennis Association. During the 2012 championships, more than 10 million people visited the association's website, looking for analysis of players and how they performed against each other.

In order to provide the information visitors were looking for, the association implemented predictive analytics, cloud computing, and mobile technology. By comparing data from past matches, the predictive analytics program could provide fans with detailed information on each player -- and who was likely to have an edge on the court.

Their effort paid off; the new, improved player data brought more than 136 million page views on mobile phones and tablets -- a 47% increase over the year before.

## **QUESTIONS THAT DATA CAN HELP YOU ANSWER**

An effective business intelligence program can help you answer many questions about your members and your association. These questions include:

- Which members have the highest renewal and/or event attendance rate? Which have the lowest? Understanding these figures can help you craft a marketing strategy to improve retention and attendance among those less-engaged segments.
- How much do your most loyal members mean to your association's bottom line? How much of your association's business is made up of these loyal, long-term members -- and how can you keep them happy and loyal?

- How is your meeting portfolio performing, relative to your association's history or the industry? What changes can you make to improve this performance?
- Which member benefits do your members rate the highest? Which association products or services have the highest sales? Which of your members are making these purchases? Knowing this information can help you develop more products and services to meet your members' needs.
- Are your products and services priced competitively? Knowing which of your offerings are most important to members, and how other associations are charging for similar products and services, can ensure you're providing the best value in your members' eyes.

## **ENSURE THE SUCCESS OF YOUR DATA ANALYTICS**

Once you've determined that a data analytics culture can help you serve your members more efficiently, there's still the matter of implementing the new process. This can seem like a daunting task, especially if you've managed your data somewhat inefficiently until now.

The key to success lies in establishing clear goals and objectives for your new data-centric program. What, exactly, do you want to accomplish with business intelligence? Are you just looking to increase overall membership, or do you have more specific goals -- such as increasing a certain segment of membership, or increasing product or service sales?

You'll also need to perform a data inventory to determine what information you have, and where it's located. One of the biggest assumptions associations make is that they have "no data". The reality is that your association is sitting on more information today than at any other point in its history. This process involves a cross collaborative effort across departments, budgets, and revenue verticals.

Once you've figured out what data you're working with and where it's all located, you need to identify a process of future data collection and storage. How does your association collect data? Who's managing it? How do association employees access the data in order to do their jobs?

Creating a process that follows data from collection through marketing, fulfillment, and other tasks will result in improved efficiencies and a culture focused on data transparency. This keeps you and your staff focused on making decisions based on a powerful mix of experience, intuition, and data.

Next, consolidate and centralize your data, and make it accessible to everyone who needs it. Finally, be willing to change your business processes based on what your data is telling you. For example, your new data may show that you need to create a new member group to serve a certain type of market segment.

You may find that you have an entire class of members to which you're not effectively marketing. You'll need to be willing to create that member segment, and then create a new marketing strategy -- or new products or services -- to speak to them.

## **CUSTOMIZE FOR SUCCESS**

Data analytics is not a one-size-fits-all approach for your team or your members. Just like not all marketing channels are appropriate for different message types, your association and members will find that certain key insights help you drive your business more than others. Identifying those keys to success isn't a one-size-fits-all option, which is why a customized data analytics strategy provides more advantages over an out-of-the-box dashboard program.

Some groups may work well with a shotgun approach, in which they plug every piece of data they collect into a platform and use the system's tools to spot trends and summarize highlights. Other groups may have specific questions they need their data to answer, and need to tailor their analytics to those questions.

While you may be concerned about the potential cost of a data analytics program, particularly if your association is small, it doesn't have to be expensive -- and the benefits far outweigh the costs. Technology is affording organizations and their partners the ability to capture, aggregate, and store data inexpensively, while improving the fidelity of the information coming in. This results in data truly acting as an organizational asset, capable of helping an organization make strategic decisions and generate alternative products they can monetize.

According to the MIT/IBM study, the most successful companies among those polled put analytics to use in the widest possible range of decisions, both large and small, compared to their peers. They were twice as likely to use analytics to guide both future strategies and day-to-day operations.

The key, again, is in understanding exactly what you want out of your program, and customizing your data process to achieving those goals. It can be a bit scary for an association to overhaul its data collection and analytics process, when it's been doing things the same way for years -- even decades. But if you establish clear goals and take things one step at a time, you can create an efficient system that provides much better information on your members and their behaviors.

Once you start experiencing the benefits of improved information and ease of finding the data you need, you'll be glad you made the effort.