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INDUSTRY TRENDS
THEY MIGHT BE GIANTS

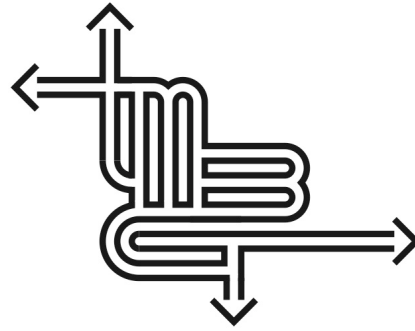
They Might Be Giants: a study in innovation and community building

In 1982, when They Might Be Giants (TMBG) entered the alternative rock scene, they were a two-man band with a drum machine. Three decades later they are still performing and still selling records (although now they're called CDs). How have they managed to remain successful and relevant in an industry that has the attention span of a two-year old? Simply put, they went where their audience was and embraced the idea of their fans as a community.

Just like associations, the music industry has had to undertake some serious retrospection. Music sales are still occurring but much of the audience is finding ways around "purchasing" the music. Things like pirate sites and sharing downloads have cut into their revenue stream. Musicians are able to garner sizeable paychecks through live events but many music moguls have been looking for creative (and lucrative) ways to engage fans and keep them buying.

It may be difficult to see the connection between the two worlds of associations and the music industry but they have quite a bit in common. Their long relied on form of revenue is being scrutinized as people chose to affiliate and spend differently and events are only as good as your latest one.

While associations are examining the ideas of free and freemium membership plans, They Might Be Giants has embraced charging for "membership" and has done quite well. Exploring how TMBG has weathered the downtimes and changes in their own industry, even growing over the past 30 years, brings up some lessons with valuable application to associations:



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Community building is as much about how you reach your audience as it is when. Long before securing a recording contract, TMBG sang their songs into an answering machine. They publicized the number in local newspapers. Like many rock bands, they began building a community of followers locally. Where they excelled, while so many failed, they did it with little overhead. They simply left a message and encouraged people to call. They built a loyal fan base even among those who didn't have money for concert tickets. Associations are fortunate; they already have the start of a community. They already have members.

Associations just need to reach them in a way that works best for its members. Whether through virtual meetings or online groups, everyone's time is at a premium. Look for creative ways to place your services in front of your members. Respect members' time and they'll reward you with participation and loyalty.

Member preferences change.

It's not the change that hampers success, it's how you react to it. They Might Be Giants saw that there was a market in online Independent Music. Instead of lamenting that people were no longer buying albums in the numbers they once did, they looked to ways to capitalize on this consumer preference change. They reached out to become one of the first artists to embrace the music service subscription market.



While meeting numbers may be down, don't spend an exorbitant amount of time lamenting this. Explore the reasons behind it. If you don't know ask. If you ask (assuming there's an answer), experiment with ways to address those reasons and create an offering that encompasses that.



Media and availability fosters growth.

In 2004, TMBG created one of the first artist-owned online music stores. They recognized the need (early) to offer downloads of their music. In a time when many artists were clamping down on MP3s, TMBG was innovating and helping their audience further disseminate their music and continue to grow the fan base. They still charged for downloads but they encouraged making music more portable.

The same should be said of association content. While you have a very valuable commodity in industry information, the benefit is in the sharing and allowing others to experience your content. The more you are seen as an industry expert and go-to resource, the larger your audience will grow. Members will pay for information they cannot obtain elsewhere. The key to this is "cannot." If it's widely available elsewhere for free, that's where your members will go.

Old ideas can still work but adaptation is key.

Fan clubs have been around almost as long as there have been stars to fixate upon but TMBG took an old concept and reinvented it for the digital age. The key to their success is adapting the offerings in this member community to 2011 (when it first originated) and revisiting its features on an annual basis. Last year, TMBG created the "Instant Fan Club" offering. They segmented their audience and rewarded their most dedicated fans with an opportunity to join a paid membership community. They used several demand incentives to promote the value of membership. For instance, they made membership in this top level limited; only 1,000 invites. (For their second year, they opened it up to 2,500 more.) The fewer the spots the more demand. They also offered exclusive members-only podcasts and video stream performances. They allow fan club members access to things first, before their general membership/followers.



For associations, exclusive offers and sessions can be implemented easily with tiered member types but there have to be some real differences. For members who don't use your online store, a member discount may not be enough of an incentive to justify an upgrade in member type. Think about what you do well. Is there a way to segment the experience or offerings? The more drastic, the better.



Reward your most eager members.

This year TMBG created a "super-presidents" level for its most devoted community members. They had already done so much to make the fan club members feel valued, for the super-presidents they created something even more personal. They provided a personalized service to their members – recording an outgoing phone message. Now they were offering something you couldn't get anywhere else. Plus they will list the names of all of their super-presidents on the artwork of the new album. What a way to make their members feel valued.

Associations can do this as well, albeit the unbridled passion someone has for their industry association may not be the same level of devotion one gives to a favorite band, but associations are able to offer things its members cannot get elsewhere such as benchmarking reports, continuing education and first-to-hear industry information. It's easy to isolate your top posters, your top referrers, your association ambassadors. The interest is in how it is presented.

To remain relevant, you must change as your audience does.

As TMBG's fans entered another stage in their life (that of parents), TMBG added to its repertoire – a children's album (which eventually went on to win a Grammy).



Association audiences are also changing. In the past, memberships in industry associations were a common part of embracing a particular career. Companies felt so strongly about them, they frequently paid for their employees to be a part. This is changing. While there are still some sponsoring companies, many employers have left the decision to join (and the cost) up to employees. As Gen Y becomes more firmly entrenched in the workplace (it's estimated they'll

comprise 75% of the global workforce by 2025), it's necessary to revisit association offerings. Are you appealing to digital natives who want to make a difference but feel networking is something they can do on their own? How are you meeting their needs on their terms? These are not questions for the faint hearted but necessary to address in order to remain a part of their over-crowded lives.

TMBG's willingness to adapt and go where the audience is has kept fans loyal over the past 30 years. They didn't try to tell their followers how they should consume their offerings, nor did they keep offering the same product for three decades. TMBG understood who their audience was (as individuals) and the needs they had (whether it was budgetary or time-constraints) and they helped the fans consume TMBG content on their terms. Associations can do the same with an open mind and a creative spirit. After all, innovation may be the only way to remain on your members' minds and on the top of their must-do lists.

About the Author

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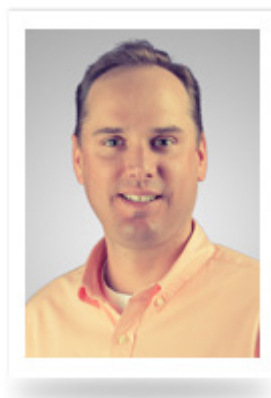
As YourMembership.com's CEO, president and co-founder, Bill drives the overall direction of the company.

During the mid-1990s Bill served as senior project manager at New Media Publishing (NMP) in Washington, D.C. NMP was a leading developer of websites and applications for major nonprofits and corporations around the globe including: The World Wildlife Fund, C.S. Mott Foundation, National Trust for Historic Preservation, The Nature Conservancy, MCI WorldCom and UNICEF.

In 1998 Bill co-founded DataGlyphics Inc., a custom web application and development company with clients that included: Nokia Mobile Phones, Florida Fish & Wildlife Conservation Commission, The Poynter Institute and The Institute for Business & Home Safety. In addition to managing the growth of DataGlyphics' custom development clients, he focused on in-house product development including the creation and sale of FlashPhotos.com to BPS/Kodak. In 2000 Bill and Hutch Craig organized the spin off of another of DataGlyphics' creation, called YourAlumni.com, into its own corporation - YourMembership.com Inc.

Today, Bill serves as the CEO and president of YourMembership.com, and his responsibilities include driving the overall direction of the organization and managing the global expansion of YourMembership.com.

Bill earned a bachelor's degree in mass media and a minor in economics from Denison University and has been listed in the Who's Who in Technology in Tampa Bay 2004, 40 under 40 Rising Stars of 2002, and lead DataGlyphics to winning the 2004 Thomas R. Connolly Technology Company of the Year Award. Bill has also guided YourMembership.com to numerous national and international awards – including six straight WebAwards, several W3 Awards and Technology Company of the Year presented by the St. Petersburg Area Chamber of Commerce.



About YourMembership.com

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