

NEW SOURCES OF REVENUE FOR ASSOCIATIONS

Diversifying your projects & services

In addition to the effects of the Great Recession which continue to reverberate through the global economy, associations face the ongoing challenge of maintaining a stable income stream. Diversifying an association's income sources can provide greater stability while reducing dependence and risk.

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IS EVERYTHING YOU ARE ALREADY DOING OK?

Much of the discussion on diversifying income sources relates to "non-dues" income (referred to by some as *non-dues revenue* or NDR), in other words: income not directly tied to membership fees. While excluding membership issues from some discussions is understandable, there is a place for this topic to be considered. First would be an examination or consultation on the health and potential of existing membership activities. Then, some will advise considering an expansion into new geographical areas.

Correcting any general issues and making membership advances in new locations will have a short to medium term impact but will leave an association open to the same risks of dependence on a smaller variety of income generating activities. The need for increasing the variety of income sources therefore remains on the table.

Second would be an examination of financial reports for current expenditure items. While not a diversification per se, spending money already allotted more effectively

or eliminating some expenses will provide a boost in available funds. As Benjamin Franklin's advice is often paraphrased: *a penny saved is a penny earned.*

An examination of an association's current activities in light of sustainability and efficiency might lead it to update the services and technologies it employs (which may also save money) which in turn can lead to new opportunities for services / activities and income. The latter is especially true of variety of ways in which publishing and

and storage media are increasing in power / size while prices remain at reasonable levels. Broadband and mobile internet continue to extend their reach and capacities. All of which lead to advances in existing tools & services as well as providing a creative platform for software and application designers to bring new ideas to an even larger global audience.

The changes to traditional systems and operations are ongoing; from telecommunications to writing & publishing to video and so on. Associations have been adjusting and

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communications continue to evolve – particularly as mobile internet and broadband services expand their global coverage.

NEW IDEAS, NEW PLATFORMS, NEW OPPORTUNITIES = NEW INCOME (AFTER NEW INVESTMENT)

Technological developments continue to change how we live and work. Hardware

making use of these new opportunities for some time. Changing the ways business has always been done is not necessarily an easy or clear path. Visionaries and intermediaries are needed, as are "early adopters" and those willing to test and try in order to evolve.

Change of this kind needs to be mediated. A few years ago the idea of a paperless office



or a paperless conference was met with intrigued surprise, today more people are in a position to question how the transition will take place and to understand what the implications and benefits would be.

Choosing to go paperless or to use open source software or to offer online sessions at conferences all require planning. Good planning leads to positive results, as we all might expect.

The recent edition of the Tagoras *"Association Learning + Technology Report"* (tagoras.com), which surveyed 200 professional and trade associations, examines a number of "new offering" scenarios and shows conclusively that efforts approached strategically generate more income than those undertaken on an ad-hoc or informal basis.

Much of the other non-dues income activities under discussion are extensions of or developments in activities the associations are already undertaking. This is where good business practice meets good association practice. Does it make sense to offer

webinars or streaming sessions from the annual conference? Then let's see how we can do it.

Other elements of the new income stream discussions relate to networking and relationship building between the association's office and its main partner or constituent groups and examining where value and services can be augmented. From members to corporate partners / sponsors to other associations and so on, re-valuing the work and information resources of the association can bring new projects, partnerships and "products" which result in both income and other benefits for the association's role in its topic areas.

If you have a sense that "we're already doing everything we could / should be doing" then a relatively simple way to confirm that is to compare your activities to what other associations are doing. Check-in with your network of contacts, attend an upcoming networking & education event and read some online news / annual reports. Whether and where you might have room for improvement and expansion should become clear relatively quickly.

WHAT'S THE UNION OF INTERNATIONAL ASSOCIATIONS (UIA)?

The Union of International Associations is a non-profit, independent, apolitical, and non-governmental institution in the service of international associations. Since its foundation in 1907, the UIA is a leading provider of information about international non-profit organisations and a premium networking platform between international organisations and the meeting industry worldwide.

Main activities:

- Yearbook of International Organisations - contains information on over 64,000 international organizations active in all fields of human endeavour, in all corners of the world.
- International Congress Calendar - with information on over 350,000 international meetings. Available online, in pdf, and on paper.
- Annual Associations Round Table

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