

REVENUE DIVERSIFICATION

NOV 7, 2023

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Direction



Belief in
Success



“Table Stakes”



**Clear
Mission and
Vision**

{ Know your purpose or you will be lost }

Strong Leadership

{ Create inspiration, make sound decisions, and
create a positive work culture }

**Engaged and Committed
Stakeholders**

{ Wide network of resources and a
strong sense of community }

Diverse Revenue Streams

{ Diversify or die }

Communication and Marketing

{ If no one knows the great
things you do, you don't exist }

Revenue-Resources

- **Streams of Income**
 - Diversity
 - Membership Dues Income
 - Non-Dues Income
 - Restricted vs unrestricted funds
- **Sufficient Savings – 3-6 months**
- **Budget Growing Annually**
- **Oversight of Resources**
- **Invest in Brand, M&E, and Comms**
- **Investment in Technology**
- **Investment in Staffing**
- **Plan to budget or plan then budget?**



Plan for Everything, but

Plan w/o work



Work w/o plan



KNOW YOUR FINANCIAL HEALTH

Budget, Regular quarterly financial reports, and sustainable services and a fundraising plan

Revenues	YTD Actual	Budgeted	% of Budget
Expenses	YTD Actual	Budgeted	% of Budget

- **Each revenue stream is also an investment, ROI and ROM**
- **Sustainable valuable programs and services**

Best Practices

- **Financial policies (investments, opportunities, reserves)**
- **Internal controls & compliance**
- **An effective budget, relevant, reliable and tied to strategy**
- **Financial reports and dashboards**
- **Use the board**
- **Human resources, volunteers and in-kind are worth money too**

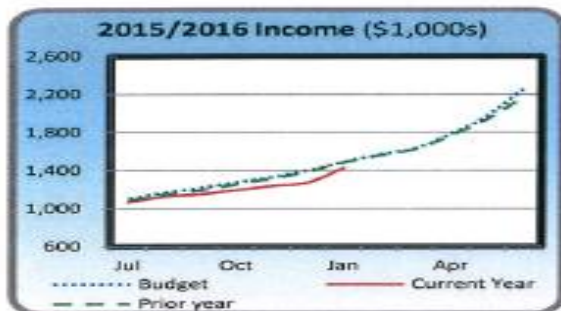
Arkansas Bar Association

Monthly Dashboard Report

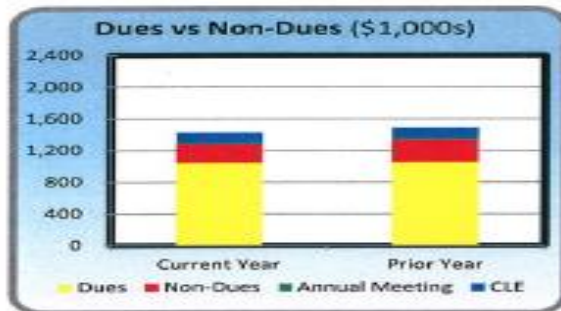
For the Period Ended January 31, 2016

Date Prepared: 02/19/16

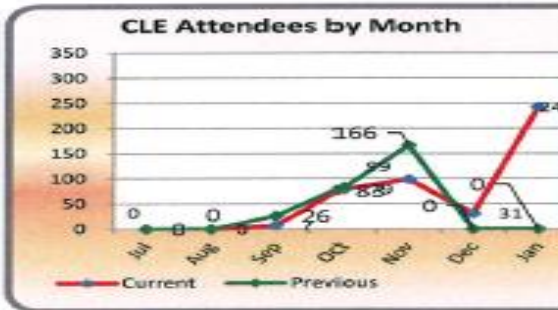
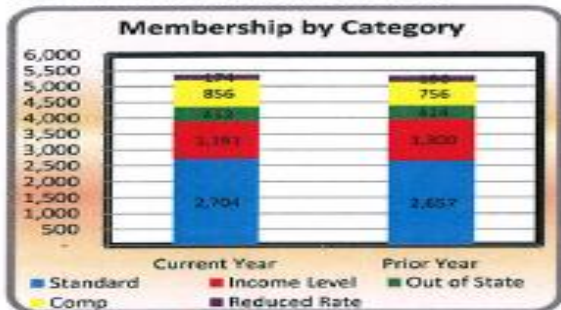
Financial Information:



	YTD Actuals	YTD Budget	Variance	Annual Budget
Income	\$ 1,425,383	\$ 1,490,779	\$ (65,396)	\$ 2,257,075
Expenses	\$ (1,068,846)	\$ (1,190,018)	\$ 121,172	\$ (2,242,538)
Profit/Loss	\$ 356,537	\$ 300,761	\$ 55,776	\$ 14,537



Non-Financial Information:



*Note 1: Current Year Income and Expenses are from the annual budgeted amounts.

*Note 2: Current Year Membership Counts are as of this report. Prior year counts are as of the end of the bar year.

Why Diversify

- **Survival**

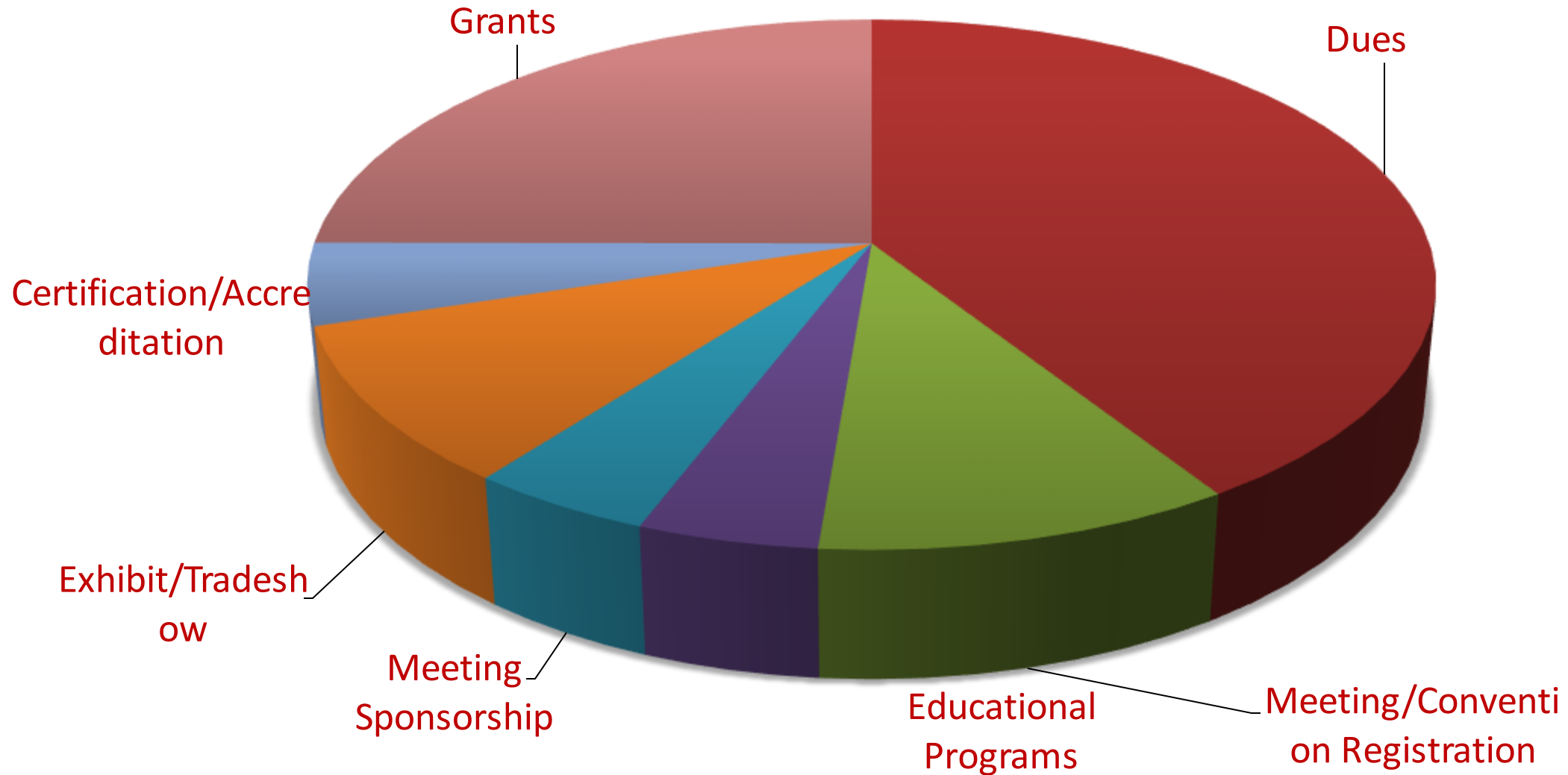
- **Vulnerability of revenue sources:** Cannot depend on one stream
>30

- **Stability**

- **Growth**

- **All Connected**

DIVERSITY OF INCOME



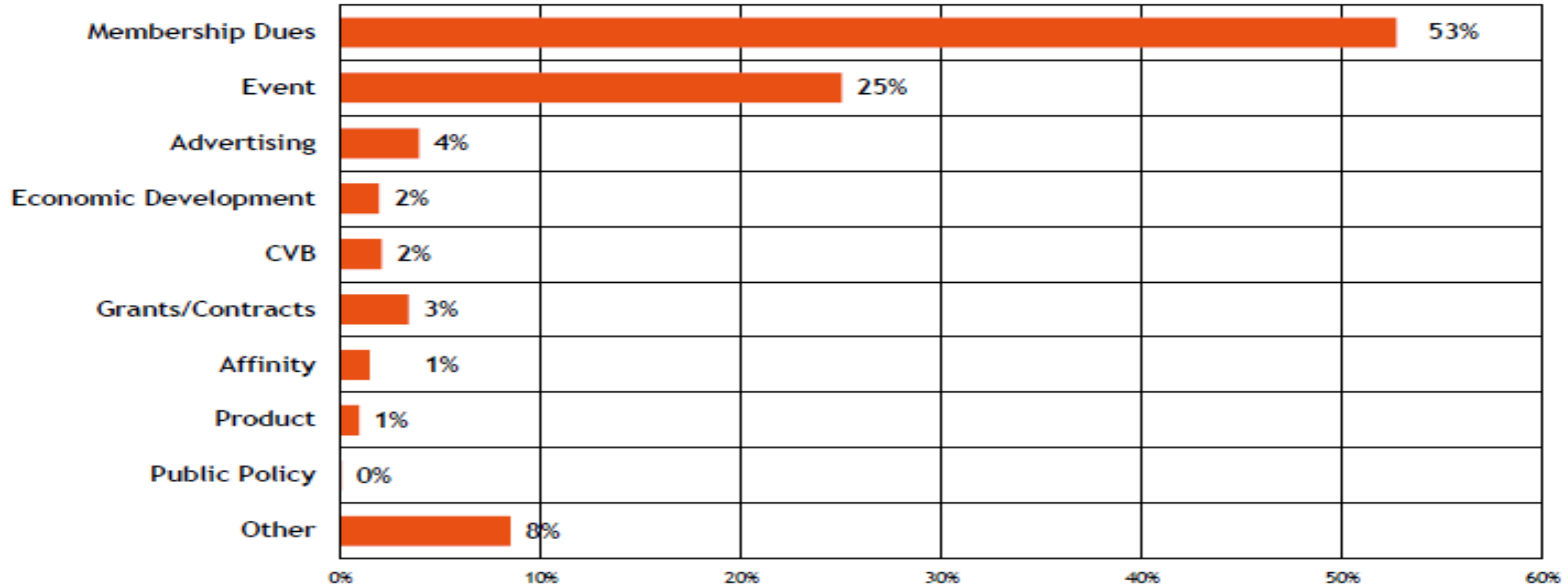
ASAE 2016 BENCHMARKING REPORT

ACCE's 2016 Operations Survey Report

Total Annual Revenue Categories
■ Category 1: \$450,000 and under

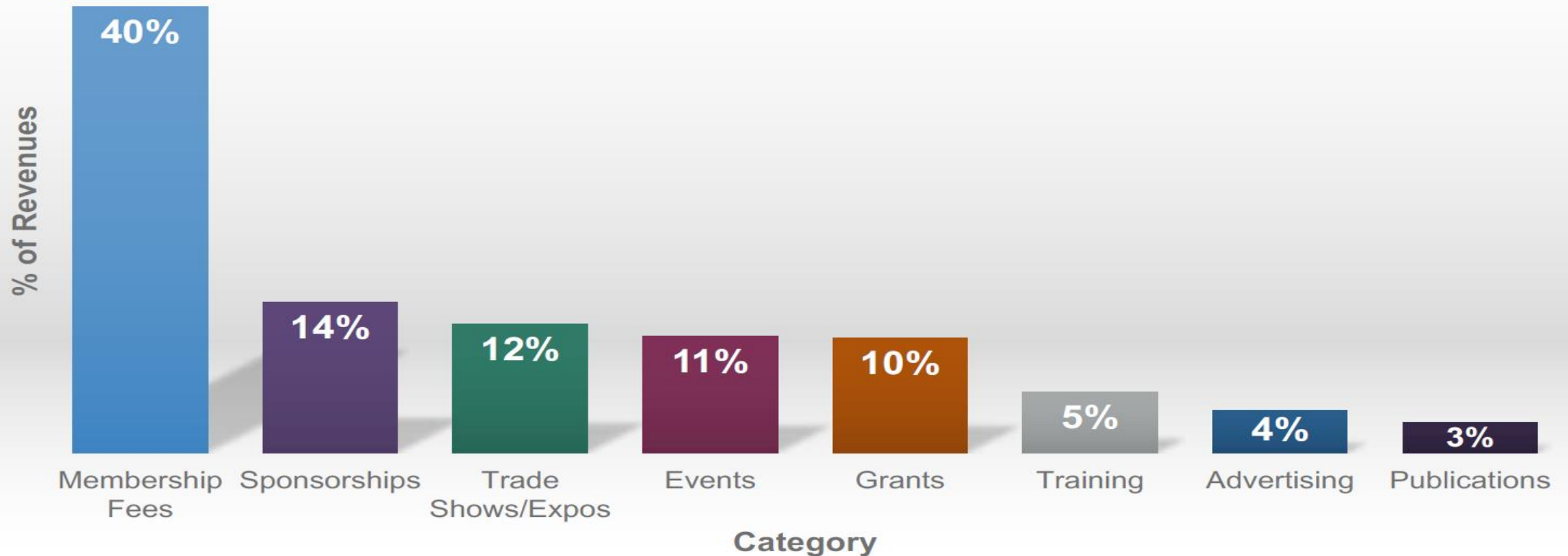
Finance

1a. Breakdown of Total Revenue - Category 1: \$450,000 and under



CIPE SURVEY OF AFRICAN ASSOCIATIONS 2022

Africa
% of Association and Chamber Revenues by Category



REVENUE TARGETS TO ENSURE DIVERSIFICATION

Membership	30 – 50%
Events	20 - 30%
Advertising	< 5%
Affinity	<10%
Grants/Contracts	<10%
Product	<10%
Advocacy	<5%
Other	<10%

Membership Concepts

- Membership is the reason you exist; it is the mission
- Membership is Everyone's Job from the top bottom
- Use a Database or CRM
- Discover Strategic Elements like Trends & Technology, Predict the Future; Solve Problems
- Calculate Value for Members
- *Create a Profitable Membership Business Model & Reinvest for Growth*



Focus on Membership Goals

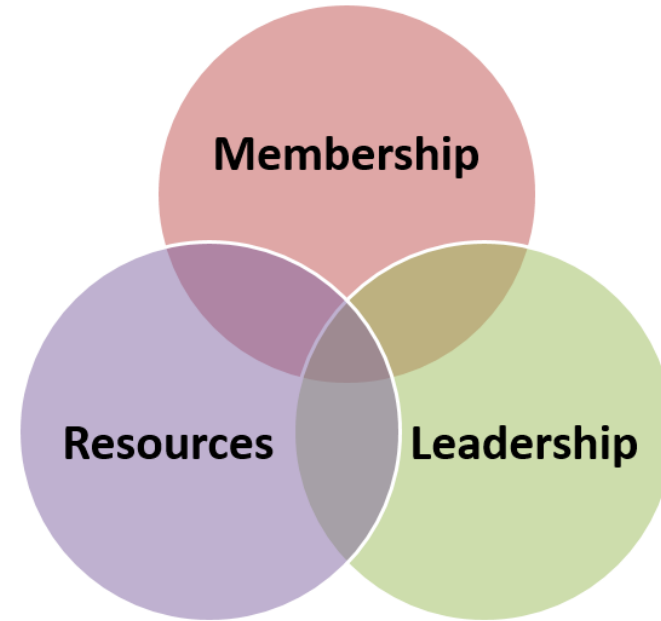
a) Growth Trend is Up

b) Market Share is Strong

c) **Renewal Rate is High**

d) Needs Known, customized comms, touch points

e) Benefits and Services Relevant



Member Segmentation

1. Membership Categories:

- **Belonging**, Knowledge, Skills, Prosperity, Representation, professional and business growth
- Career Stages: Entry, Emerging, Dynamic, Legacy & Individual and Firm Personas

2. Expanding to New Categories?

3. Market Share, Recruitment plan?

4. Retention Process? (Retention Rates)



MEMBERSHIP DUES STRUCTURES

- Fixed, Percentages, Formulas, Tiered

Service Costs = Fixed Costs / # of members

Member Dues:

N X Service Cost

N = >2+





Benefits	Signature	Advantage	Elite	CCC100	Learn more
Free Enterprise.com with permissions to repurpose articles	✓	✓	✓	✓	+
Washington Fly-In Briefing Program	✓	✓	✓	✓	+
Complimentary membership for your small businesses through the Federation Partnership Program	✓	✓	✓	✓	+
Members-only content on U.S. Chamber Small Business Nation	✓	✓	✓	✓	+
Member rate to attend Institute for Organization Management registration (<i>\$450 savings</i>)	✓	✓	✓	✓	+
Discounted rates to attend U.S. Chamber events, including America's Small Business Summit	✓	✓	✓	✓	+
Official U.S. Chamber Websticker	✓	✓	✓	✓	+
Discounts from FedEx and Sam's Club	✓	✓	✓	✓	+
Reports and studies published by U.S. Chamber policy experts		✓	✓	✓	+
Complimentary or discounted entry fees to exclusive policy events and conferences. (e.g., <i>Regional Government Affairs Conferences, Workforce Education Conferences</i>)		✓	✓	✓	+
President's Update , the monthly letter to the board of directors (<i>Valued at \$10,000</i>)			✓	✓	+
Direct access to the most sought-after leaders at the U.S. Chamber			✓	✓	+
An opportunity to serve on one of more than 30 U.S. Chamber policy committees			✓	✓	+
Chamber of Commerce Committee of 100 (CCC10). Invitation-only.				✓	+



جَمْعِيَّةُ الصَّانِعِينَ اللَّبْنَانِيِّينَ
ASSOCIATION OF LEBANESE INDUSTRIALISTS

Current Benefits

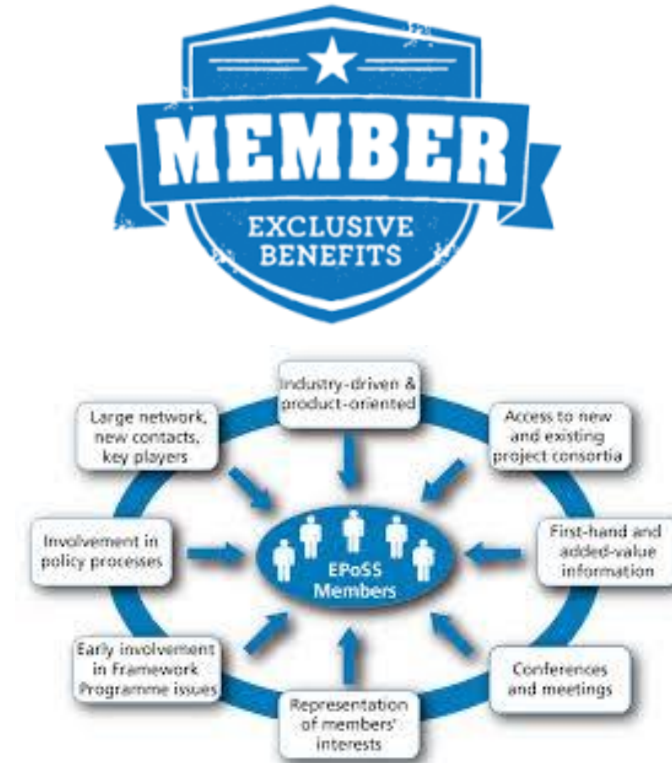
Service	Description	ROI measurement
<i>Port of Beirut discount</i>	Member discount of 50% on port fees	Actual LBPs that it saves
<i>Transportation license</i>	Member support navigating this process	Staff time and financial savings to a member. For example, it saves 10 hours of work at 50LBPs per hour; or 500 LBPs.
<i>Website</i>	<ul style="list-style-type: none">Industrial real estate search engineAdvertising to meet sales and messaging needsDeployment of industrial and economic indicators to guide business efforts	Insert value of this resource in LBPs
<i>Communications</i>	<ul style="list-style-type: none">Informative Quarterly newsletterNational Gazette (information on laws and decrees)Latest Information on trends and developmentsExclusive Information on fairs and exhibitions; including member discounts and travel grantsDaily circulars to members	"Priceless" could be used for this one.
<i>Networking</i>	<ul style="list-style-type: none">Membership lists for business and marketing needs	Value in LBPs

Revenue-Resources

- **Unrestricted funds vs. restricted funds**
- **Managing the expectations of members, trend in membership dues, changing the culture of freebees**
- **Don't dilute your mission by chasing donors' funding**
- **Don't try to be everything to everyone, specialize**
- **Market positioning and brand value**
- **Understanding who wants to reach your members**
- **Choose advocacy issues carefully**
- **Seek exclusive information/value**
- **Use donor's funds to seed sustainable services**
- **Fundraising strategy, board's help, plan first always**
- **White papers and concept notes ready, market intel, partnerships**

Member Benefits

- ✓ Events
- ✓ Education
- ✓ Access to Information
- ✓ Standard Setting
- ✓ Influence
- ✓ Leadership
- ✓ Discounts



Advertising opportunities / Business Promotion

Professional development / business skills training and education

Vocational/technical training and education

Market studies/information (domestic and foreign)

Networking opportunities for professional development

Facilitating access to finance and linkages and / or training

Access to professional consultation services (legal, taxes, business growth/planning)

Negotiated discounts from various vendors and suppliers

Access to customs import/export questions or consultation services

Support participation in international and/or domestic fairs and exhibitions

Access to professional certification in your sector

Public policy advocacy

Business to Business Linkages

REVENUE SOURCES

Member Dues

50/50

Non-Dues

- Advertising
- Sponsorship/Donations
- Endorsements/Royalties
- Affinity Programs
- Trade Show/Expos
- Investment/Interest
- Product Sales
- Trainings/Education/Certification
- Grants
- Subsidiaries
- Investment
- Annual Conference/Fundraising Campaigns (virtual and in-person)



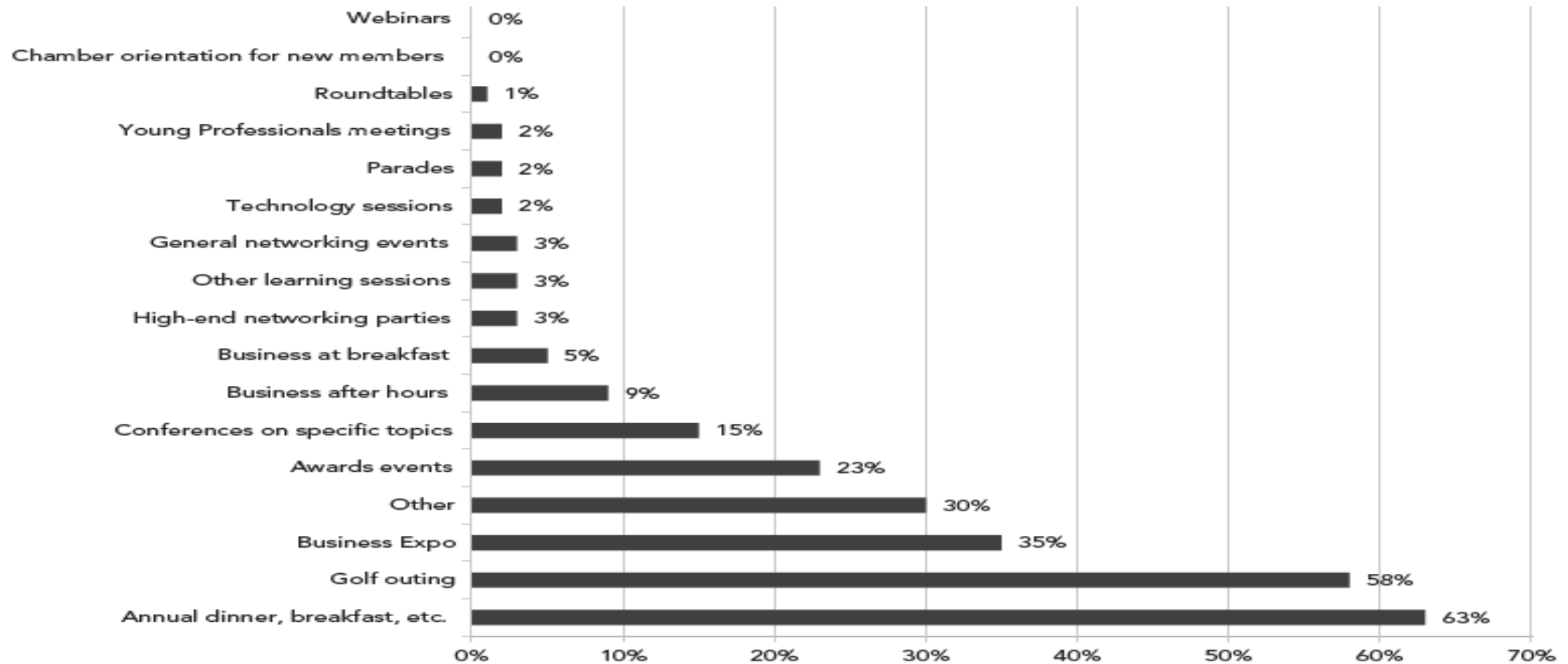
AFFINITY PROGRAMS--PARTNERSHIPS

➤ WIN-WIN-WIN

- **Partnership Establishment:** partnership or agreement with a company (insurance, travel, technology, legal, customs, taxes, raw material, etc.) - purchasing power
- **Exclusive Offers:** discounts, special deals, or unique offers exclusively to the members
- **Marketing and Promotion:** Chambers and associations promote these offers among its members through various channels like newsletters, social media, website, or direct communication. Marketing could be paid for as well by the service provider.
- **Member Engagement:** Members can then take advantage of these offers, and the association benefits from increased member satisfaction and retention

EVENT IDEAS

Survey on which events bring most revenue



Source: 2012 ACCE poll

ATTRACTING SPONSORS

- **Step 1 Reach Out:** Let supporters know what you are doing
- **Step 2 Insight:** Talk about the impact and the benefit using numbers
- **Step 3 Show and Tell:** Funder interviews and/or people served. How are you going to use the money?
- **Step 4 Encourage:** Two follow up on why their sponsorship funding is important for event

Circular Economy Launching Event



**Global
Exposure**



**Connection &
Networking**



**Brand
Visibility**



**Social
Responsibility**



**Experience
Exchange**



**Business
Relationships**



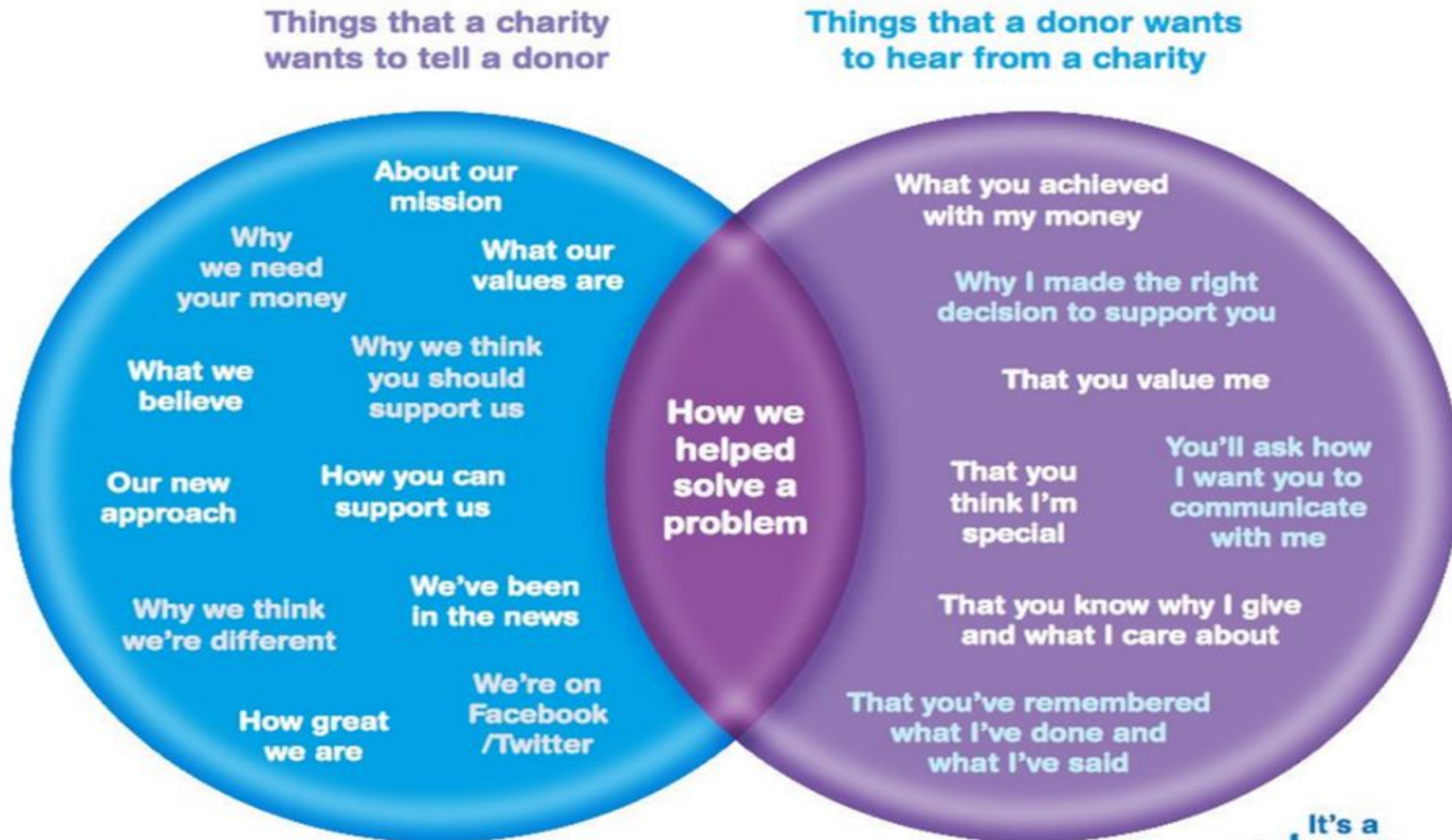
**Valuable
Insights**



**Media
Coverage**

Half built mult
construction a

GRANTS AND CONTRACTS



CIPE



**CENTER FOR INTERNATIONAL
PRIVATE ENTERPRISE**