**EBD # 12.31**

**2017-2018**

**TO:** ALA Executive Board, Finance and Audit Committee, Budget Analysis and Review Committee

**RE:** ALA Membership Report

**ACTION REQUESTED/INFORMATION/REPORT:**

Information report

**ACTION REQUESTED BY:**

Cathleen Bourdon, AED, Advocacy and Member Relations, cbourdon@ala.org and Lorelle Swader, AED, ALA Offices and Member Relations, lswader@ala.org

**CONTACT PERSON:**

Cathleen Bourdon, x3217, cbourdon@ala.org; Lorelle Swader, x4278, lswader@ala.org

**DRAFT OF MOTION:**

 N/A

**DATE:** April 11, 2018

**BACKGROUND:**

Report on FY2018 membership dues and budget performance; FY19 Dues Budgets; Membership and Communications Studies; Additional membership information

### **ATTACHMENTS:**

Report and additional membership information

# FY2018 ALA Membership Report

# In February, the total ALA membership roster stood at 58,826 members, up from 56,637 members last year, an increase of 3.86%. This increase is entirely due to the growth in personal member categories. For example, the number of student members increased from 7,210 last year to 7,916 now. A major driver of this success is the expansion in the number of chapters participating in the joint student membership program – there are now 44 chapters participating, up from 26 chapters three years ago. A second factor is the very successful partnership between ALA and AASL to offer students a membership package along with a copy of the AASL Standards. AASL student membership increased from 573 last year to 1,034 now – a 80.45% increase.

 The second notable expansion in the number of personal members is in the “regular” membership category – defined as members joining in their first, second, third and ongoing years. The dues of these loyal members account for roughly 83% of the dues revenue from all categories of personal members. The number of regular members increased from 29,363 last year to 30,492 now, a 3.84% increase. This increase was primarily driven by growth in first-year memberships by individuals taking advantage of member pricing to attend the AASL and PLA National Conferences as well as ongoing Informz communications and other outreach to prospective members highlighting ALA membership choices and our value proposition.

Membership in four divisions (AASL, ALSC, LLAMA, PLA) is up and 17 round tables have member increases (EMIERT, FAFLRT, GAMERT, GLBTRT, IFRT, IRRT, LEARNRT, LHRT, LIRT, LRRT, LSSIRT, NMRT, RMRT, SRRT, STORT, SUSTRT, and, VRT).

 The number of organizational members decreased from 5,548 last year to 5,125 now, a 7.62% decline. There are two major categories of organizational members: library members and state group members. The number of library organizational members has been in decline since the early 2000’s and the decline increased after the Great Recession. State group members are a partnership with United for Libraries and the number decreased from 5,548 last year to 5,125 now, a 10.66% decline. The drop is due to one state library agency not renewing their group membership.

The number of corporate members also declined from 178 last year to 164 now, a 7.78% drop. A major contributor to this decline has been corporate mergers and acquisitions.

Membership promotion and recruitment activities for FY18 include joint ALA and division marketing, activities to increase student members, recruitment of organizational members and enhanced online membership management services. At this point, dues revenue is under budget by about $31,000, but is projected to end the year closer to $15,000 under budget.

**FY19 ALA Membership Dues Budget**

**Operating and Financial Projections for FY19**

The FY19 budget for ALA membership dues was developed with the assumption that the two dues items on the spring ballot would pass. The items are:

1. Proposed Dues Adjustment for 2018

Beginning in September 2018, personal member dues shall be adjusted as follows:

|  |  |  |
| --- | --- | --- |
| Member Type | Current Dues | Sept. 2018 Dues |
| 1st year | $69 | $72 |
| 2nd year | 106 | 110 |
| 3rd year+  | 140 | 145 |
| Student  | 37 | 38 |
| Earning <$30,000  | 50 | 52 |
| Support Staff | 50 | 52 |
| Retired | 50 | 52 |
| Associate | 63 | 66 |
| Trustee | 63 | 66 |
| Friend | 63 | 66 |
| International | 84 | 87 |

Members approved this item by a vote of 7,663 (74.1%) to 2,684 (25.9%)

1. Proposed Dues Schedule for 2019 -2022

Beginning in September 2019 and continuing annually through September 2022, personal member dues will be reviewed by the ALA Executive Board, which may approve a dues adjustment not to exceed the percentage change in the national average Consumer Price Index (CPI) for the previous calendar year, rounded to the nearest dollar. Any increase beyond the above provision proposed by the Executive Board will require approval by a vote of Council and a vote of ALA personal members.

Members approved this item by a vote of 7,420 (72.2%) to 2,862 (27.8%).

**Key Assumptions and Differences from FY18**

Because members approved the changes to ALA dues, the FY19 budget of $5,308,300 is an increase of $43,700 over the FY18 budget amount of $5,264,600. The following assumptions were used to develop both the FY18 and FY19 budgets:

* Continued retirements of Baby Boomers. Based on an [ALA-commissioned study](http://www.ala.org/research/sites/ala.org.research/files/content/librarystaffstats/recruitment/Librarians_supply_demog_analys.pdf) conducted by Decision Demographics in 2009, it was projected that 7,000 ALA members would retire between 2015 and 2020.
* Continued growth in student memberships, but at the reduced joint student dues rate. The growth in student members is primarily a combination of improved LIS enrollments and the expansion of the number of chapters that are participating in the joint student membership program. This means that students joining ALA in this program are paying $38, but $19 is shared with state chapters.
* Reduced revenue from library organizational members. The number of library organizational members has been in decline since the early 2000’s and the decline increased after the Great Recession. Additionally, United for Libraries group memberships have declined for the past several years. Work is underway to identify ways to strengthen the value proposition of organizational membership and to increase United for Libraries group memberships.
* Flat or reduced revenue from corporate members. Industry consolidations have reduced the number of corporate members.
* Flat expense budget for Member and Customer Services and Membership Development.

**Initiatives for FY19 and beyond**

Planned membership activities in FY19 include improvements in ALA Connect to increase engagement opportunities for members; continued joint membership marketing with divisions and round tables; a life membership campaign; continued efforts to recruit and support student members, and a “membership category choices to fit your need” campaign.

**Communications and Membership Studies**

On January 26, 2018, ALA issued requests for proposals (RFPs) to conduct two studies – a communications study and a membership study. Four companies responded, and their proposals were evaluated by two groups of staff members. Three companies were selected for final, face-to-face interviews on March 28. On March 29th, ALA contracted with the Avenue M Group to conduct the studies. The lead investigator on the studies will be Sheri Jacobs, the founder, President and CEO of Avenue M Group. Jacobs is a best-selling author of *The Art of Membership: How to Attract, Retain and Cement Member Loyalty* and is an association management veteran with nearly 20 years of experience. ALA has worked with Jacobs on several successful projects in recent years. Work will begin on the studies in April and a presentation on the results will be made to the ALA Executive Board at their fall 2018 meeting.

 The goal of the communications study is to position ALA with our members through powerful, simple, clear, and consistent communications, which will help us to recruit and retain members, grow and sustain fundraising, and support members and the profession through advocacy. Avenue M will:

* Interview staff to understand how ALA currently operationalizes its communications, obtains member and customer insights and develops and delivers communications.
* Collaborate with the membership team in the development of the Member Value/Pricing study to ensure the research captures information that will inform recommendations needed to achieve the goals of this communications project.
* Review existing data analytics regarding awareness, usage, open rates and response rates to current communications.
* Review the technology stack being used by ALA to communicate with members, customers and others.
* Develop a report with recommendations and message platforms that may be used throughout the organization to ensure communications are consistent and reinforce ALA’s brand message and business objectives.
* Provide ALA with a high-level strategy and recommendations that address staffing, operations and technology issues that are consistent with the goals of this project.

The goal of the membership study is to make improvements that will better serve members and potential members and position the association for membership growth and increased member engagement. Avenue M will:

* Interview key stakeholders to collect their insight, hindsight and foresight regarding how ALA can better meet the needs of the profession.
* Conduct a membership value/pricing study to expand ALA’s knowledge of how to bundle or un-bundle benefits based on motivations, needs and other factors. Avenue M will use discreet choice to help make decisions regarding the new membership structure.
* Explore the fiscal impact of transitioning to a new membership model based on benefits, usage or other factors.
* Forecast potential growth and break-even opportunities based on different scenarios. Assess the risk and rewards of each model.
* Recommend up to three new membership models based on the research. Assist in the selection of one model or a hybrid approach for market testing.
* Develop an interview guide and invitation strategy to ensure a diverse audience is engaged in the feedback process.
* Schedule and conduct telephone interviews with individuals representing different audience segments.
* Analyze the data and revise the models as necessary to increase the likelihood of success.

**Additional ALA Membership Information**

A variety of membership reports are available on the ALA website. For example, this [web link](http://www.ala.org/membership/updates) provides 10-year stats on ALA membership, annual membership statistics for ALA, divisions, and round tables, plus an FAQ on the 2018 dues increase proposal. Every three years, ALA shares an analysis of member demographic survey results and the most recent is the [2017 ALA Demographic Study](http://www.ala.org/tools/sites/ala.org.tools/files/content/Draft%20of%20Member%20Demographics%20Survey%2001-11-2017.pdf). ALA also conducts a member survey - [Report of the 2016 Membership Value Survey](http://www.ala.org/aboutala/offices/report-2016-membership-value-survey). The following tables provide additional insights into the status of ALA membership.

**Table 1:** **Average ALA Dues Amount Paid Per Personal Member and Annual 3+ (full) dues amount**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
| $77.16 | $84.61 | $86.61 | $87.35 | $87.41 | $86.63 | $88.59 | $90.22 | $92.69 | $90.28 |
| $130 | $130 | $130 | $130 | $130 | $130 | $133 | $135 | $137 | $137 |

Discussion: ALA currently offers 11 different membership categories with different dues amounts ranging from $38 for students to $140 (in FY2018) for members in their 3+ year of membership. Table 1 shows the average amount of dues paid by personal members. In 2008, ALA dues for members in the 3+ year of membership were raised $10 to $130. No changes were made to dues rates between 2009 and 2013. Beginning in 2014, members approved the use of changes in the National Average Consumer Price Index (CPI) to adjust dues. Using the CPI changes, dues were increased 2.1% in 2014, 1.5% in 2015, 1.6% in 2016 and due to very low inflation, were not adjusted in 2017.

**Table 2:** **Division Personal Memberships** (represents member counts at the end of each fiscal year ending August 31)

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Division** | **2008** | **2009** | **2010** | **2011** | **2012** | **2013** | **2014** | **2015** | **2016** | **2017** |
| **AASL** | 8,142 | 8,002 | 7,756 | 7,592 | 7,021 | 7,024 | 6,983 | 6,602 | 6,335 | 6,193 |
| **ACRL** | 11,650 | 11,585 | 11,291 | 11,684 | 11,062 | 11,187 | 10,269 | 10,472 | 9,910 | 9,837 |
| **ALCTS** | 4,052 | 3,713 | 3,598 | 3,654 | 3,421 | 3,356 | 3,185 | 3,115 | 2,985 | 2,947 |
| **ALSC** | 3,792 | 3,777 | 3,726 | 3,632 | 3,645 | 3,675 | 3,773 | 3,708 | 3,880 | 3,971 |
| **ASCLA** | 688 | 653 | 651 | 633 | 576 | 663 | 644 | 670 | 681 | 638 |
| **LITA** | 3,338 | 3,026 | 2,893 | 2,953 | 2,791 | 2,670 | 2,466 | 2,302 | 2,203 | 2,086 |
| **LLAMA** | 4,407 | 4,072 | 3,824 | 3,589 | 3,616 | 3,576 | 3,341 | 3,260 | 3,264 | 3,272 |
| **PLA** | 11,082 | 9,620 | 9,929 | 8,604 | 9,176 | 8,060 | 8,518 | 7,391 | 8,440 | 7,389 |
| **RUSA** | 4,225 | 4,225 | 3,695 | 3,592 | 3,378 | 3,243 | 2,977 | 2,901 | 2,828 | 2,718 |
| **UNITED** | 990 | 968 | 989 | 1,293 | 1,125 | 1,113 | 1,041 | 978 | 878 | 951 |
| **YALSA** | 5,073 | 4,965 | 4,907 | 4,953 | 4,835 | 4,794 | 4,838 | 4,802 | 4,687 | 4,493 |
| **Total** | **57,439** | **54,287** | **53,259** | **52,179** | **50,646** | **49,361** | **48,035** | **46,201** | **46,091** | **44,495** |

Discussion: Table 2 illustrates that the total number of personal division memberships has been declining since 2008. Members who had previously held multiple division memberships are cutting back on their memberships. This decline also mirrors the drop in ALA personal memberships, which reached a high of 64,884 in 2008 and a low of 50,570 in 2017 – a drop of 17.45%.

**Table 3: Percent of ALA Members Belonging to at Least One Division as of December 2017**

|  |  |  |  |
| --- | --- | --- | --- |
| Member Type | ALA Member Count | Belong to at least one division | Percent |
| Regular 1st year | 3,963 | 3,350 | 85% |
| Regular 2nd year | 2,937 | 2,253 | 77% |
| Regular 3+ year, etc. | 22,647 | 18,064 | 80% |
| Student | 7,603 | 2,819 | 37% |
| Support Staff | 1,590 | 706 | 44% |
| Retired | 2,089 | 876 | 42% |
| Trustee | 1,031 | 649 | 63% |
| Associate | 567 | 213 | 38% |
| Non-Salaried | 3,095 | 1,627 | 53% |
| International | 823 | 512 | 62% |
| Continuous | 4,388 | 698 | 16% |
| Life  | 1,044 | 562 | 54% |
| Friend | 132 | 60 | 45% |
| **Total** | 51,909 | 32,389 | 62% |

Discussion: Most of our personal members belong to at least one division. Of note is the fact that 80 percent of personal members in their third and continuing years of membership hold division membership. The relatively low rate of division memberships of students – 37% – can be explained by the fact that most students are now joining ALA through the joint chapter program which offers ALA and chapter memberships but does not “package” division membership.

**Table 4: Lapsed Member Survey**

1,147 respondents from 2015 – present

13.2% (151 members) renewed after receiving survey

|  |  |
| --- | --- |
| **What are your current circumstances? (Select all that apply)** |  |
| **Circumstances** | **Percent** |
| No financial support from employer | 53.3% |
| Skipping renewal but plan to renew in future | 37.9% |
| Personal life events took priority | 21.2% |
| Underemployed | 10.7% |
| Retired | 10.5% |
| Cannot find employment in profession | 6.7% |
| Changed profession | 3.8% |
| Unemployed | 3.6% |
| **Reasons for Non-Renewal (select all that apply)** | **Percent** |
| Chose to belong to state library association (chapter) | 26.2% |
| Did not renew division/RT so let ALA membership lapse | 21.% |
| More detailed explanation information about selected reasons for not renewing | 16.0% |
| Belong to other non-ALA library association | 13.0% |
| Am unsure about benefits ALA offers | 12.9% |
| Can access most ALA information / benefits without being a member | 9.5% |
| Participate in ALA events/programs but not interested in membership | 3.4% |

Discussion: Table 4 reports the circumstances and reasons lapsed members have shared on why they dropped their ALA membership. The top circumstance was lack of financial support from their employer, and the top reason was that they chose to belong to their state association instead of ALA. On a positive note, 37.9 percent stated they plan to renew in the future, and 13.2 percent of survey respondents renewed after receiving the survey.

**Table 5: ALA Continuous Membership – Regular Members as of 4/11/18**

|  |  |  |
| --- | --- | --- |
| **Years of Continuous Membership** | **Regular Member Count** | **Percent of All Regular Members** |
| 1 | 15,433  | 28.49% |
| 2 | 6,378  | 11.77% |
| 3 | 4,600  | 8.49% |
| 4 | 3,251  | 6.00% |
| 5 | 2,453  | 4.53% |
| 6 | 2,018  | 3.73% |
| 7 | 1,720  | 3.18% |
| 8 | 1,104  | 2.04% |
| 9 | 953  | 1.76% |
| 10 | 789  | 1.46% |
| 11 | 935  | 1.73% |
| 12 | 795  | 1.47% |
| 13 | 715  | 1.32% |
| 14 | 713  | 1.32% |
| 15 | 573  | 1.06% |
| 16 | 501  | 0.92% |
| 17 | 511  | 0.94% |
| 18 | 468  | 0.86% |
| 19 | 432  | 0.80% |
| 20 | 415  | 0.77% |
| 21 | 359  | 0.66% |
| 22 | 320  | 0.59% |
| 23 | 289  | 0.53% |
| 25 | 291  | 0.54% |
| 25 + | 8,157  | 15.06% |

Discussion: ALA rewards loyal members with free ALA membership upon retirement if they have twenty-five years of continuous membership. Table 5 lists the number of regular members and their years of continuous membership. Members receiving free continuous membership are projected to grow by about 200 to 300 members annually over the next five years. The table also clearly shows that the largest drop off in membership is after one year, which has been a persistent trend for the past two decades. This is typically due to individuals who join at a reduced member rate to attend an ALA or division conference but then decide not to renew the following year.