Benchmarking: How Does Your Membership Program Measure Up?

October 23, 2023, 4:00 - 5:00 PM

REBUILDING COMMUNITIES
American Museum Membership Conference • Houston, TX • Oct 23–26, 2023

Introductions

Mae Daniller
President, Daniller + Company



Sue MacLaren
Director of Analytics, Daniller + Company

Kimberly Barrow
Associate Director of Membership, Detroit Institute of Arts



Amy Marks
Membership & Development Services Director, Space Center Houston



Brian Russo
Director of Membership & Annual Giving, Naples Botanical Garden



Mae Daniller, Daniller + Company

Daniller + Company Benchmarking Data

Daniller benchmarking data is derived from 200 campaigns conducted from 2018 to 2022 for 53 museums and gardens.



Why Should I Benchmark?

Benchmarking can help you better understand what your "normal" looks like, as well as fluctuations

Plus, benchmarking will:



- Help you meet your membership goals
- Determine if your program is growing or experiencing headwinds
- Measure the impact of changes to strategy
- Identify and understand trends for your museum or garden
  - Develop strategies around trends
  - Communicate about trends and set expectations
- Make it easier to create accurate forecasts and to plan

Quick Takeaways

Recent history: past three years have been a tumultuous time for museums and gardens

- All membership programs took a real hit in 2020 with COVID and recovery has been uneven
- 2022 -- first year in a decade+ with a revenue decline in year-over-year fundraising
- Supply chain issues, especially paper, affected mail campaign pricing, lead times, ROI


Industries Tech AI Politics Wealth Pursuits Opinion Businessweek Equality Green

Paper Shortage Hits American Retailers When They Need It Most

Companies placing catalog orders are getting turned away at commercial printers, threatening the critical holiday season.

2023 and looking ahead: how to get positive!

- Postage price increases are a continuing concern
- Your membership file make-up is changing – first-and-multi-year numbers; more members shifting into autorenewal (a positive but how to evaluate progress)
- Fundraising and Artificial Intelligence, another new frontier
- Continued warnings of recession, stock market gyrations, war, global distractions, and ongoing political dysfunction exhaust your supporters


July 26, 2022 Updated Aug. 12, 2022, 9:40 a.m. ET

Daily Business Briefing

- **The I.M.F. warns that a global recession could soon be at hand.**

The International Monetary Fund downgraded its growth forecasts and projected higher inflation around the world.

- Alphabet's profit dropped 14 percent in the second quarter.
- Microsoft reports earnings that fall short of already-reduced expectations.

2023 has been uneven for membership but benchmarking can help you make the most of 2024!

Useful Metrics for Visitor-Based Organizations

Begin with six basics . . .

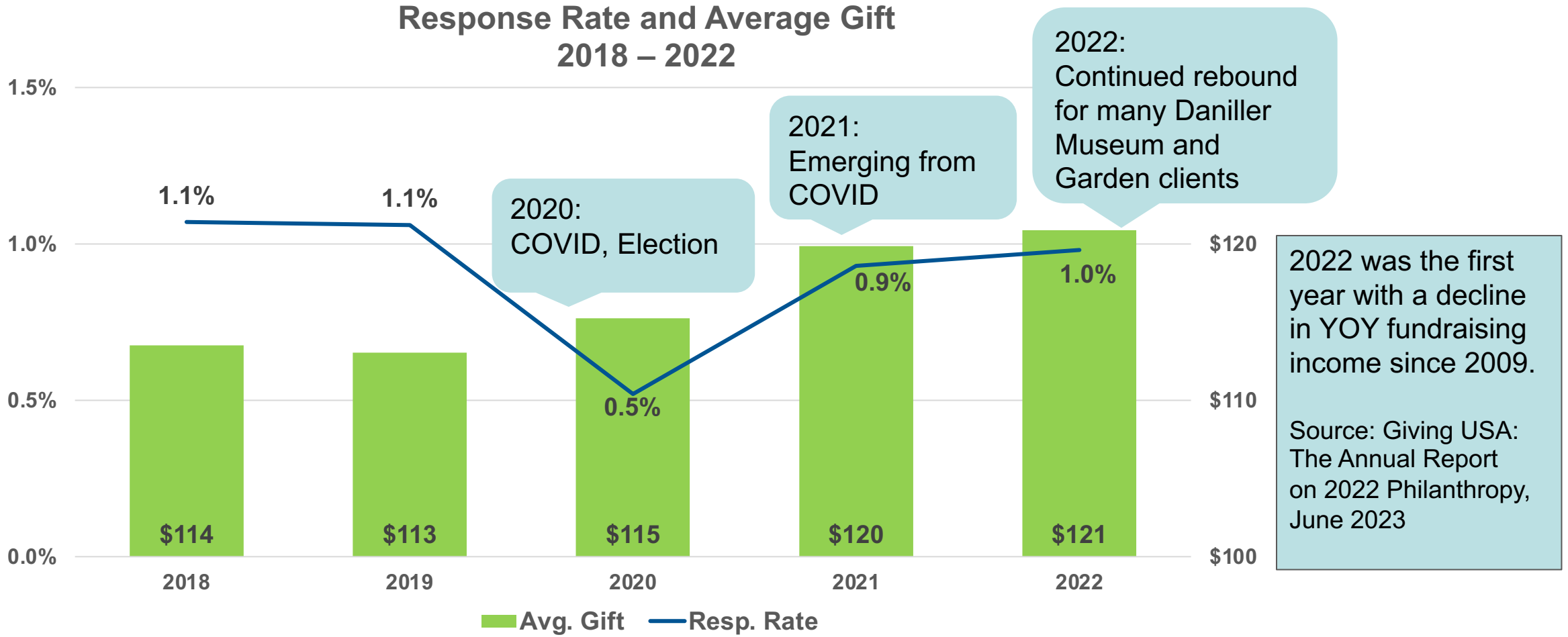
- Income year over year
- Average gift
- Renewal rates
- Active member counts
  - Number of active members by month, broken down into new and multi-year
- Email metrics
  - Click through rate, response rate, average gift
- Projections vs Actuals



Compare data year over year, by month, by week, or even by day for special events.

Five Year Trends in Membership Acquisition

Response rates declined substantially in 2020 and mostly rebounded in the last two years. Average gift has increased in part due to dues increases.

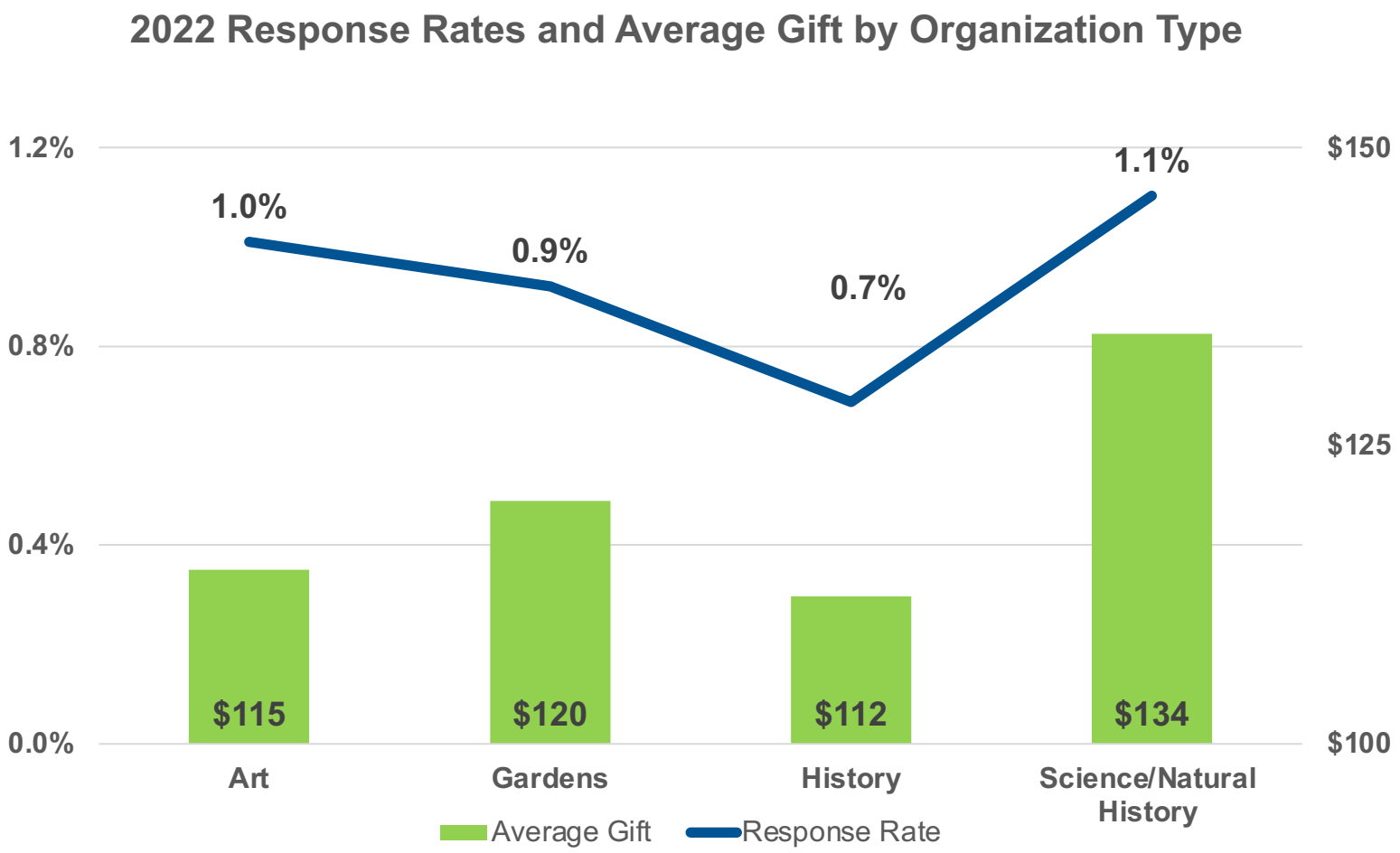


2022 was the first year with a decline in YOY fundraising income since 2009.

Source: Giving USA: The Annual Report on 2022 Philanthropy, June 2023

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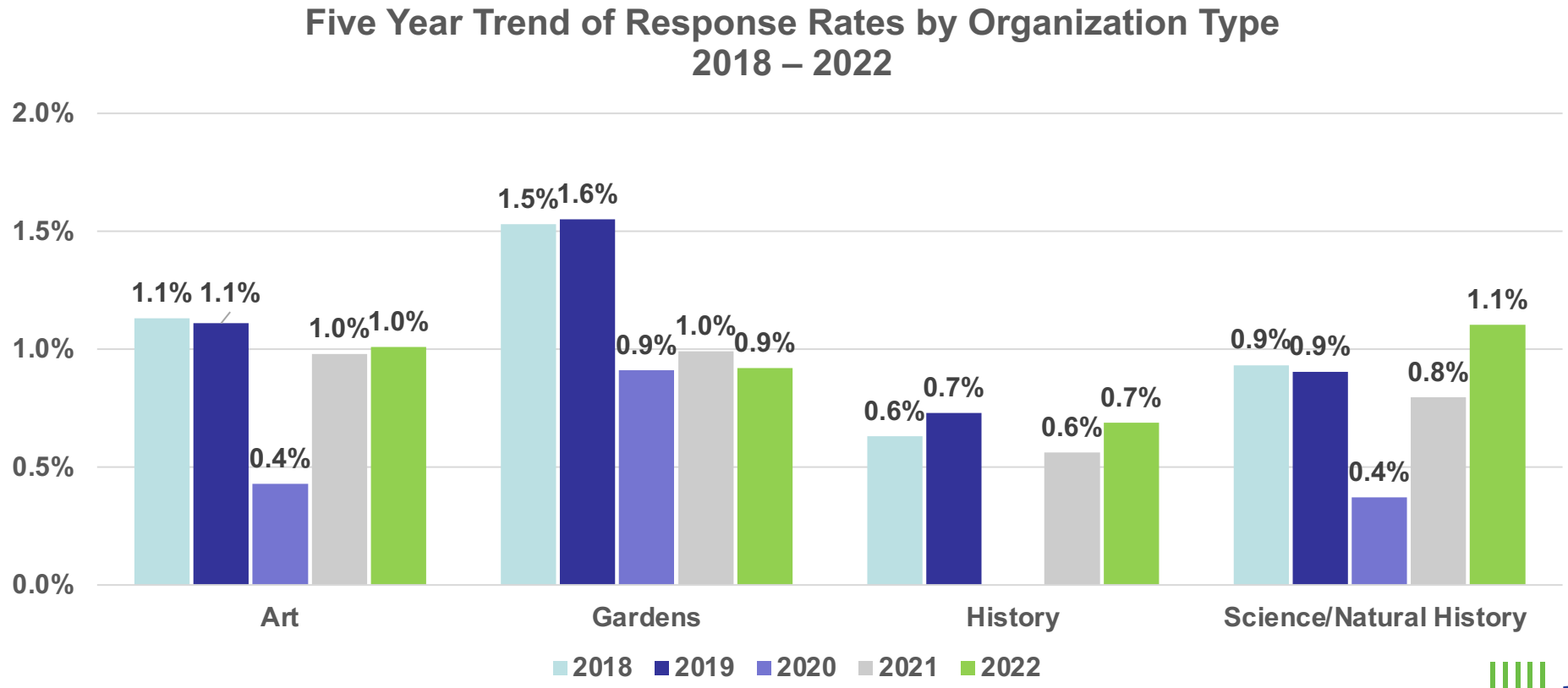
2022 Acquisition Results by Museum or Garden Type



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Five Year Acquisition Trends by Response Rates

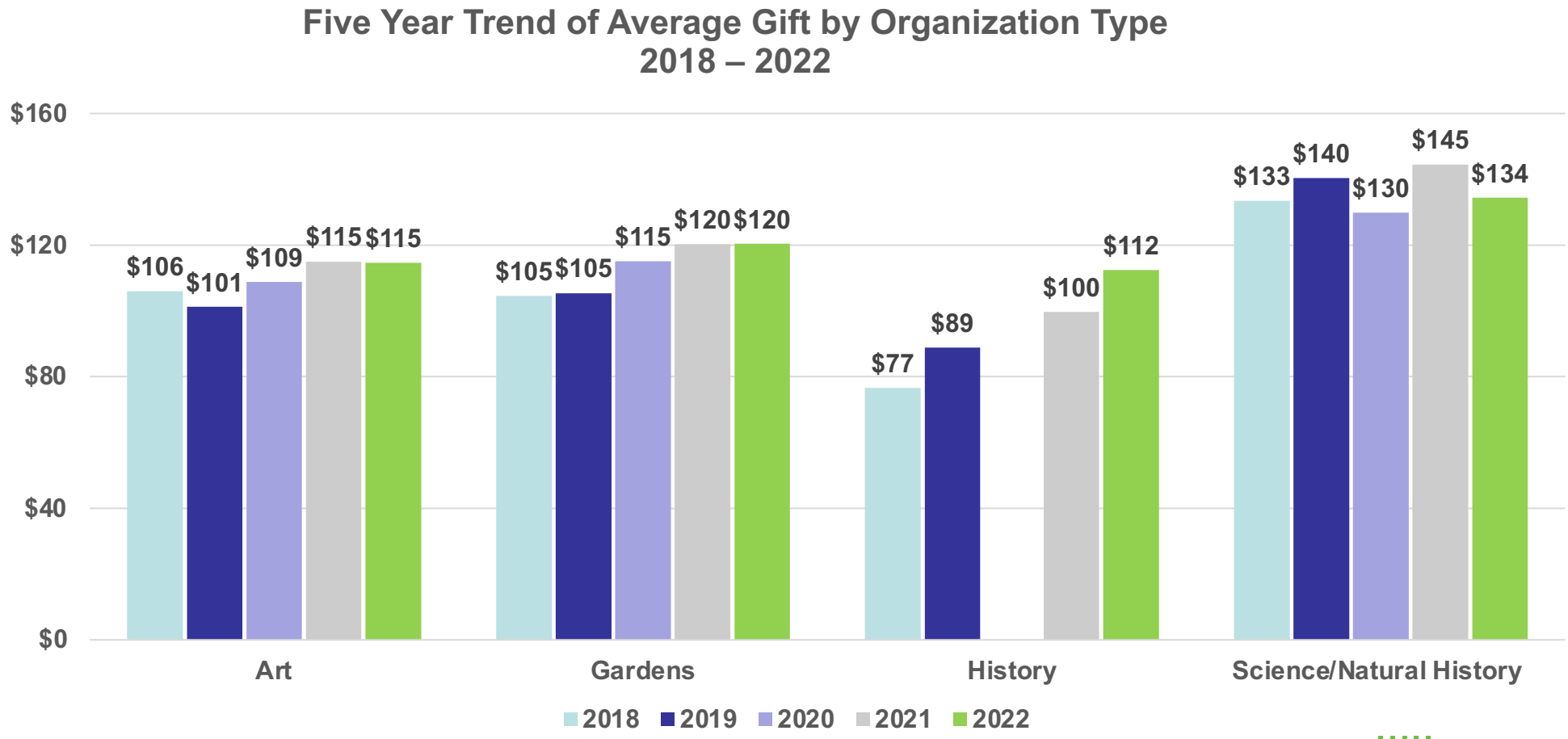
Response rates vary within museum and garden types. Gardens performed better at the height of the pandemic, while other museums have rebounded since 2020. Illustrates why it is important to compare your organization with "like" organizations when looking at benchmarks.



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Five Year Acquisition Trends by Average Gift

Average gifts vary for all museum and garden types, with all increasing since 2020. A partial reason for the higher average gift is dues increases.



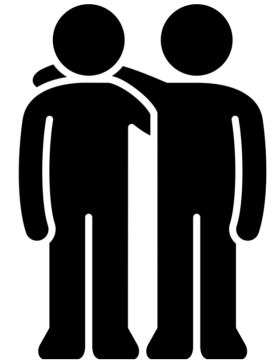
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Case Study (very abbreviated!)

A museum changed their member dues without professional survey research. Several levels had price increases, but Individual remained at $75. Dual moved up from $120 to $140.

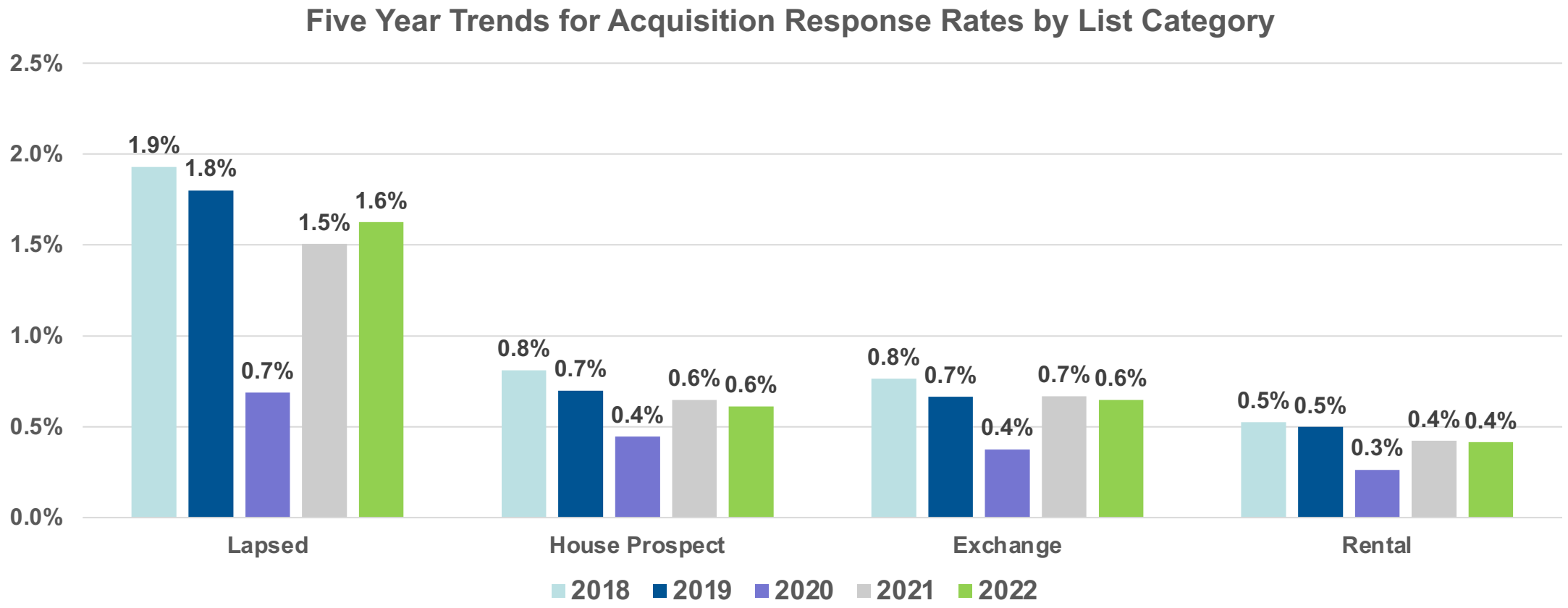
- Our assessment undertaken two years after the price increase figured
  - Prior to the price increase, Dual had 24% more members than Individual
  - One year after the price increase, Dual and Individual were equivalent
  - Income for Dual had not increased in line with their dues increase. Dues increased by ~17%, income increased by 4%. Fewer Dual members had a negative impact
- Solution? Discount Dual to $130
- Within a year, file rebounded: Dual at 25% more members than Individual
- With benchmarking, issue would have been identified sooner





Five Year Trends in Response by List Category

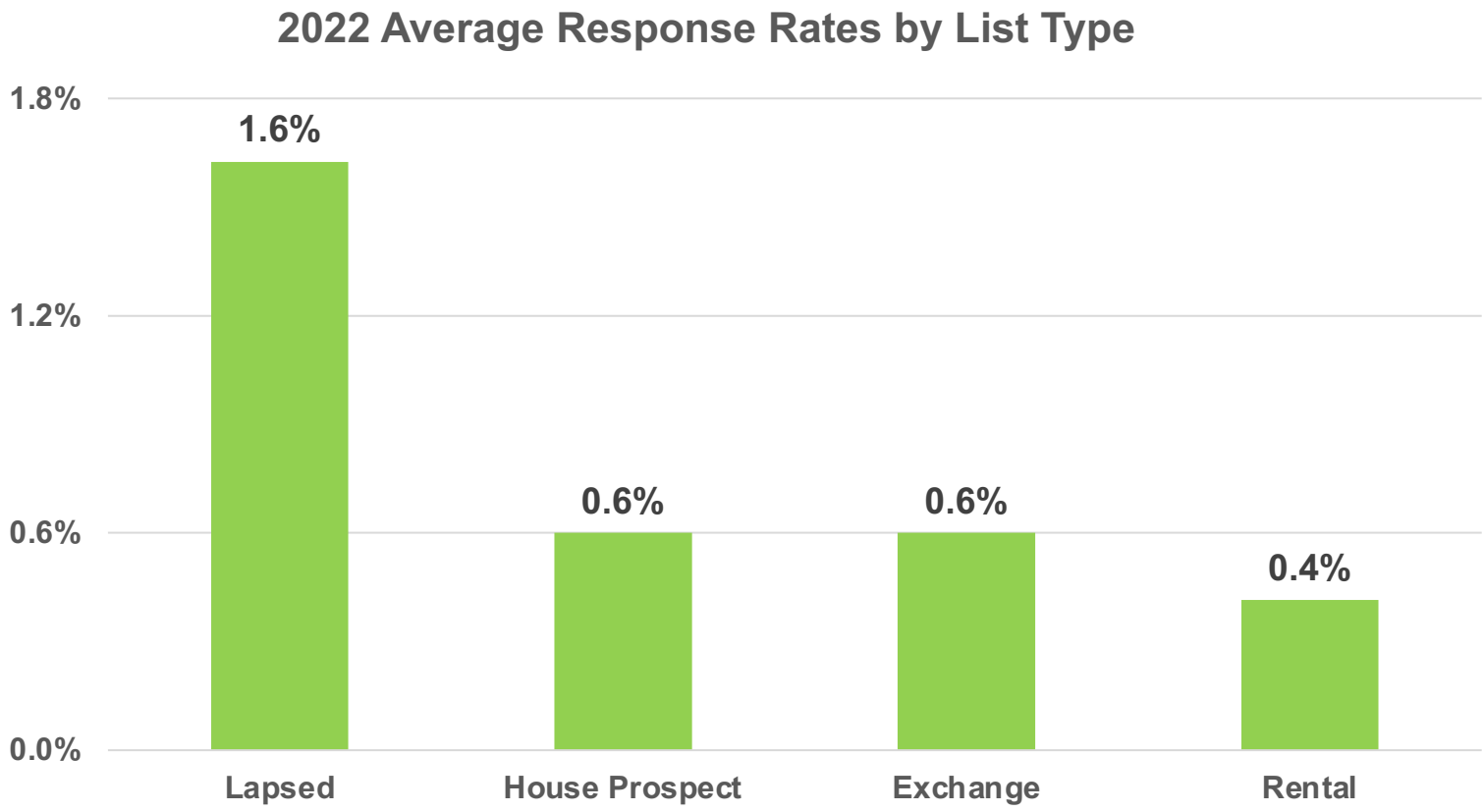
Similar to overall acquisition response rates, response rates by list category declined in 2020 and have not rebounded to pre-COVID levels.



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2022 Membership Acquisition Results by List Category

Lapsed member lists have the highest response rates. Including new prospect lists is important to introduce new audiences and drive admission.

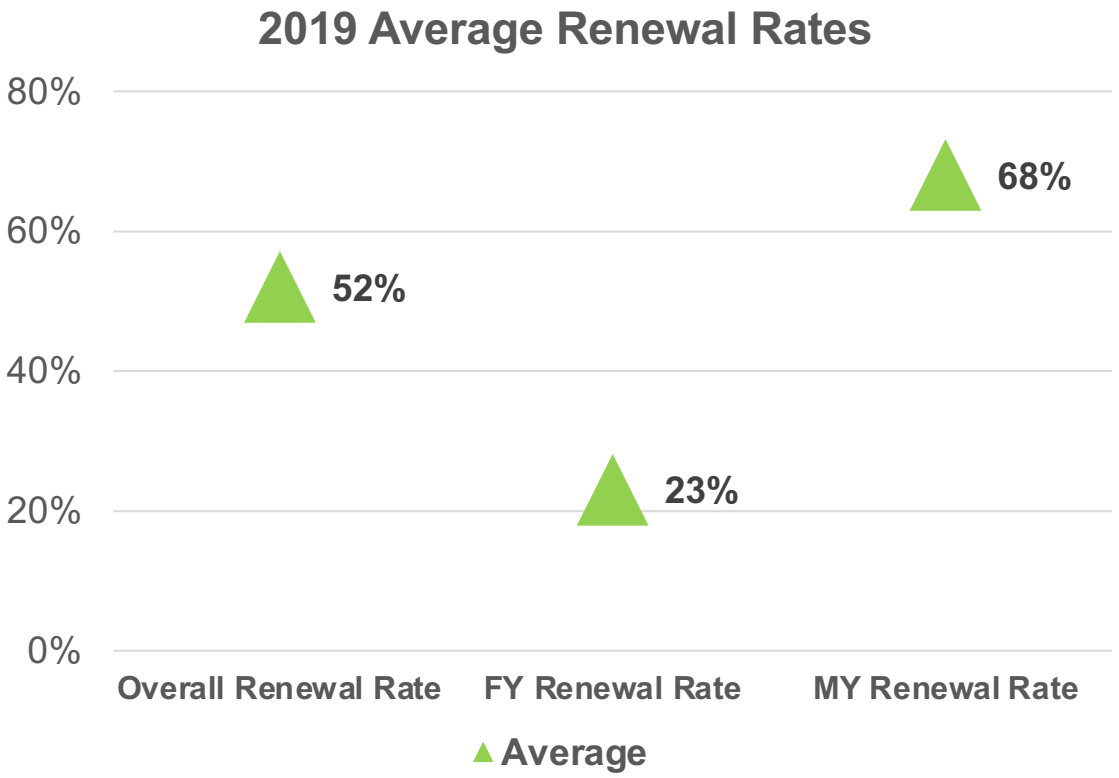


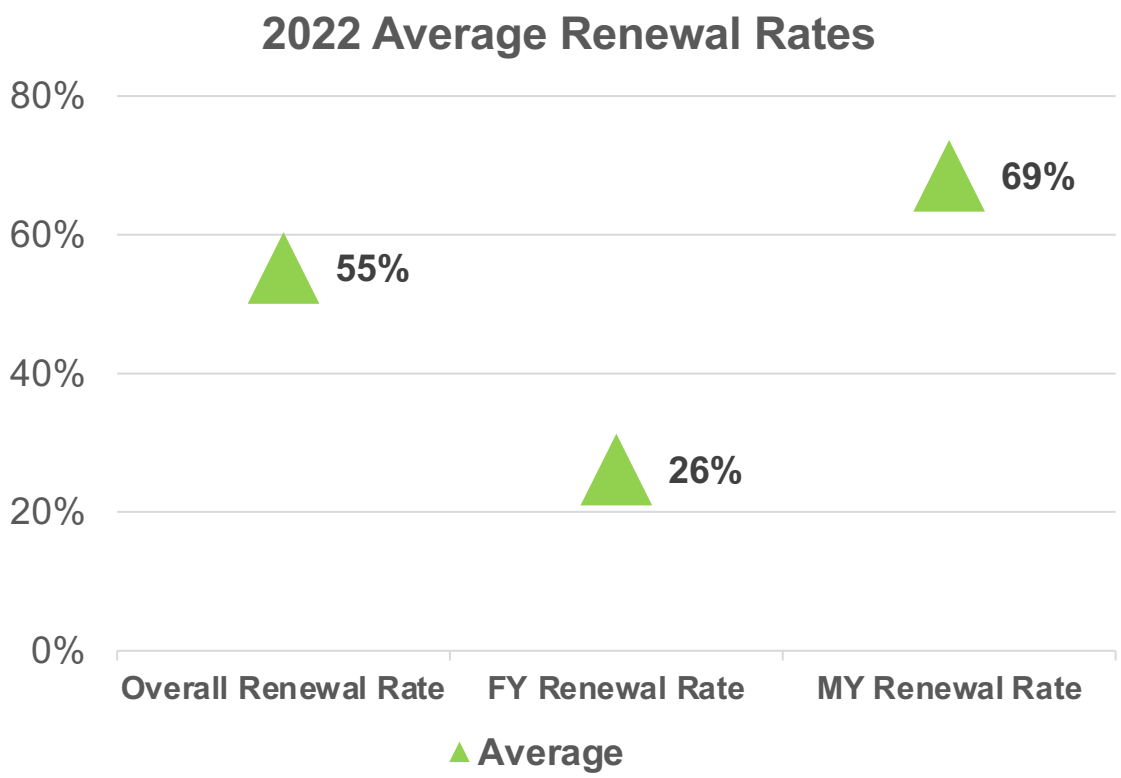
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Sue MacLaren, Daniller + Company

2019 and 2022 Renewal Rates by Segment

In comparing renewal rates to pre-COVID rates, renewal rates were slightly lower in 2019. More recent renewal rates are being positively impacted by higher percentages of multi-year members.

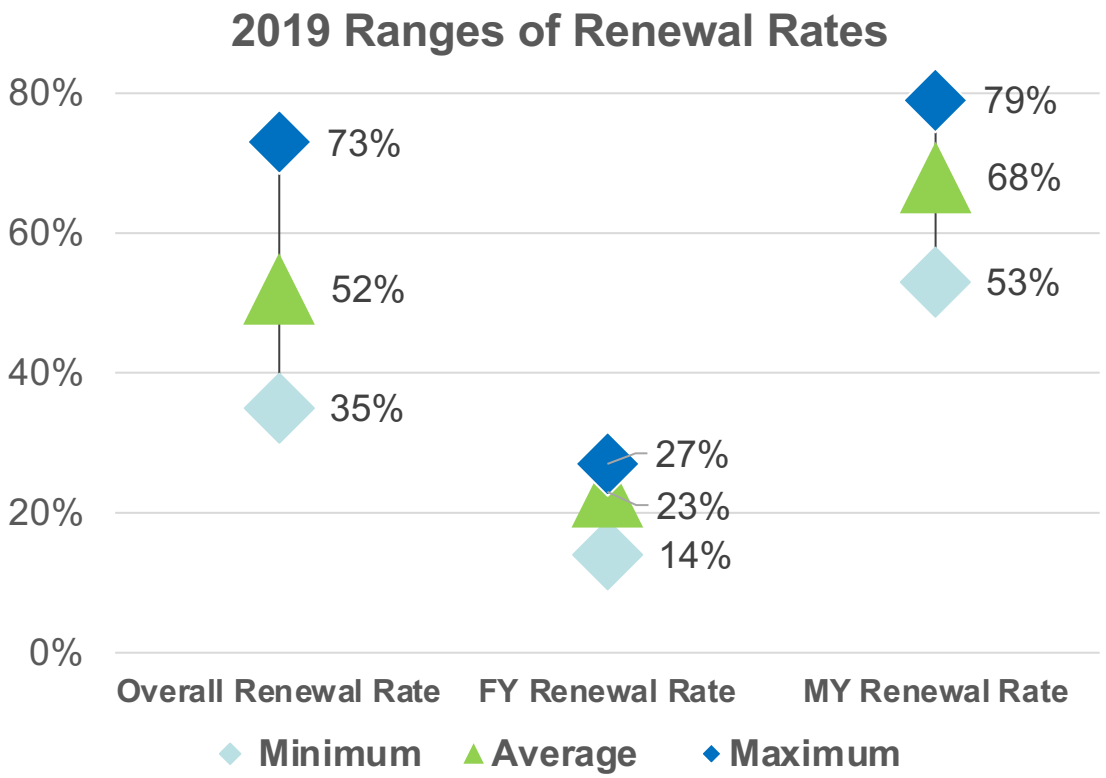


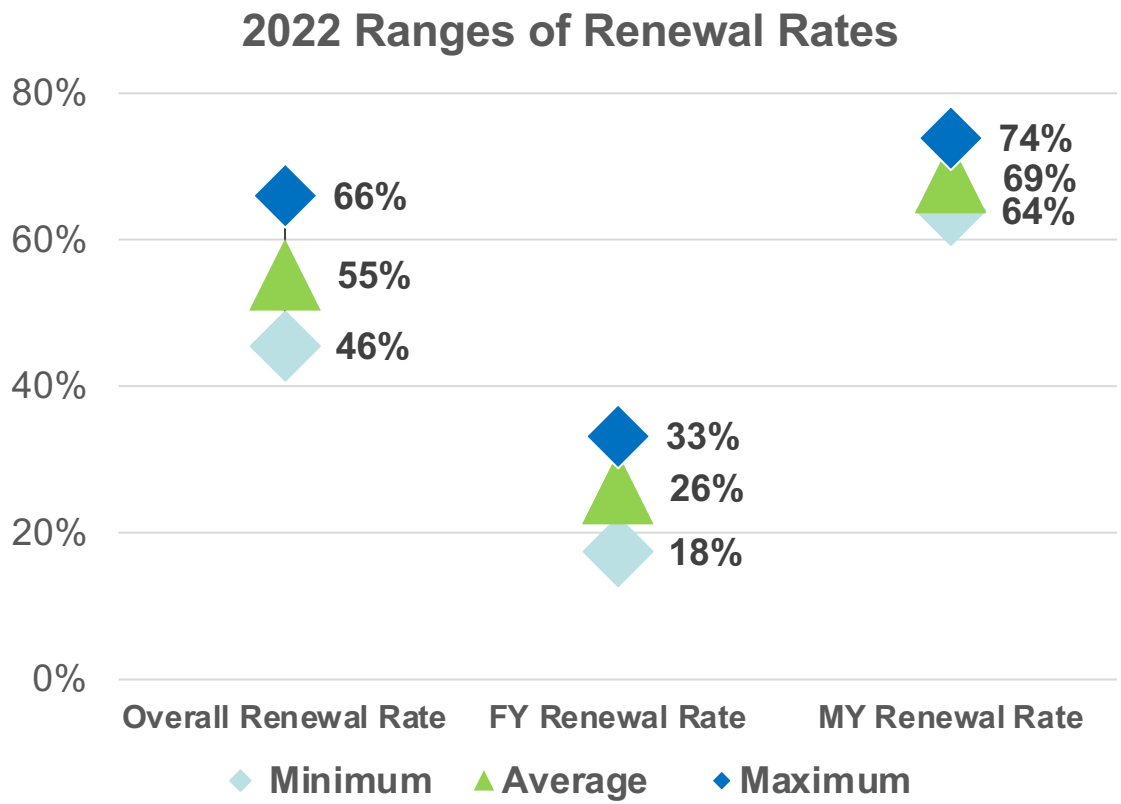


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Renewal Rate Ranges by Segment

When comparing your organization's results to benchmarks, it's important to understand that often a range of values contributes to the average.

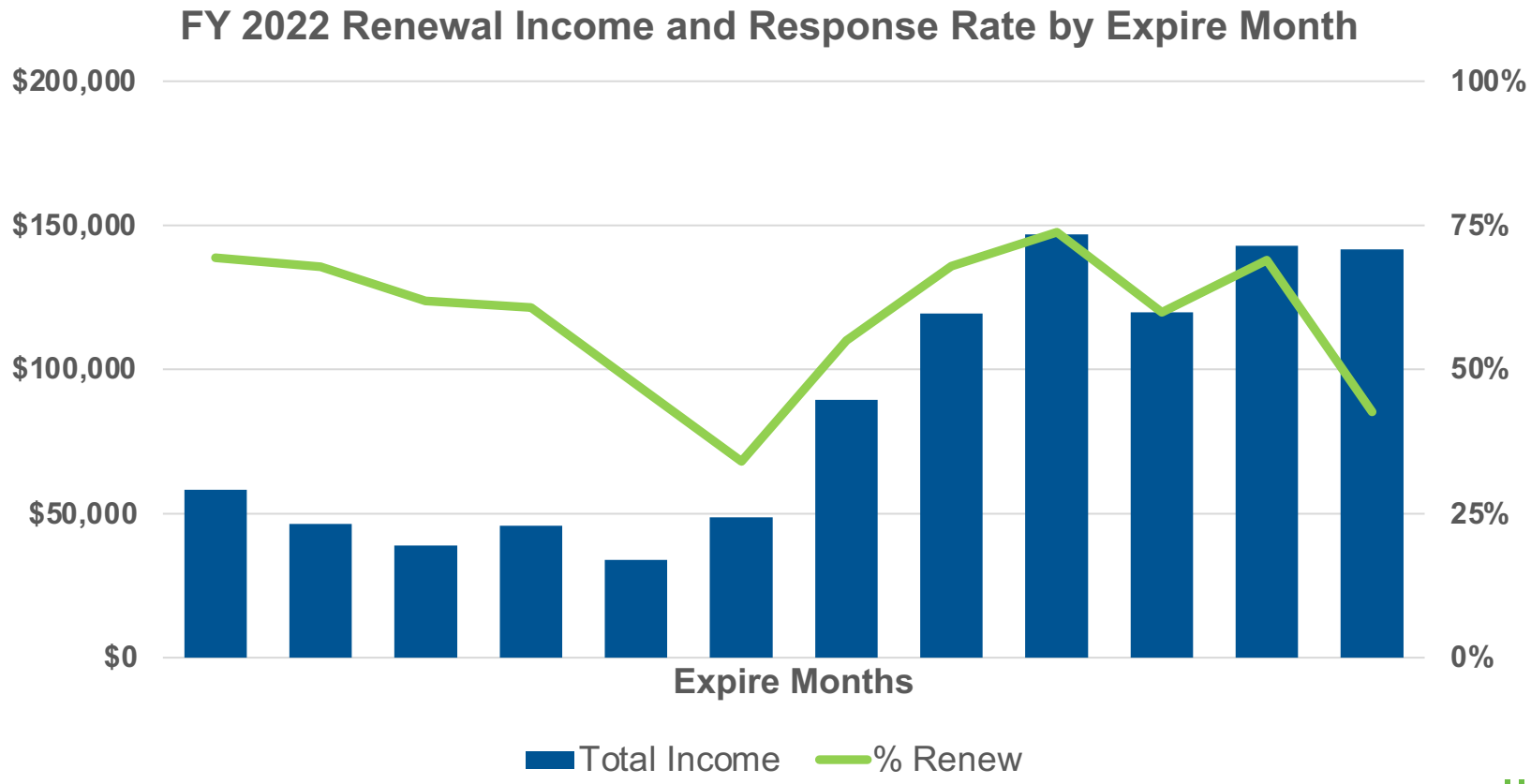




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Other Renewal Data Points to Benchmark

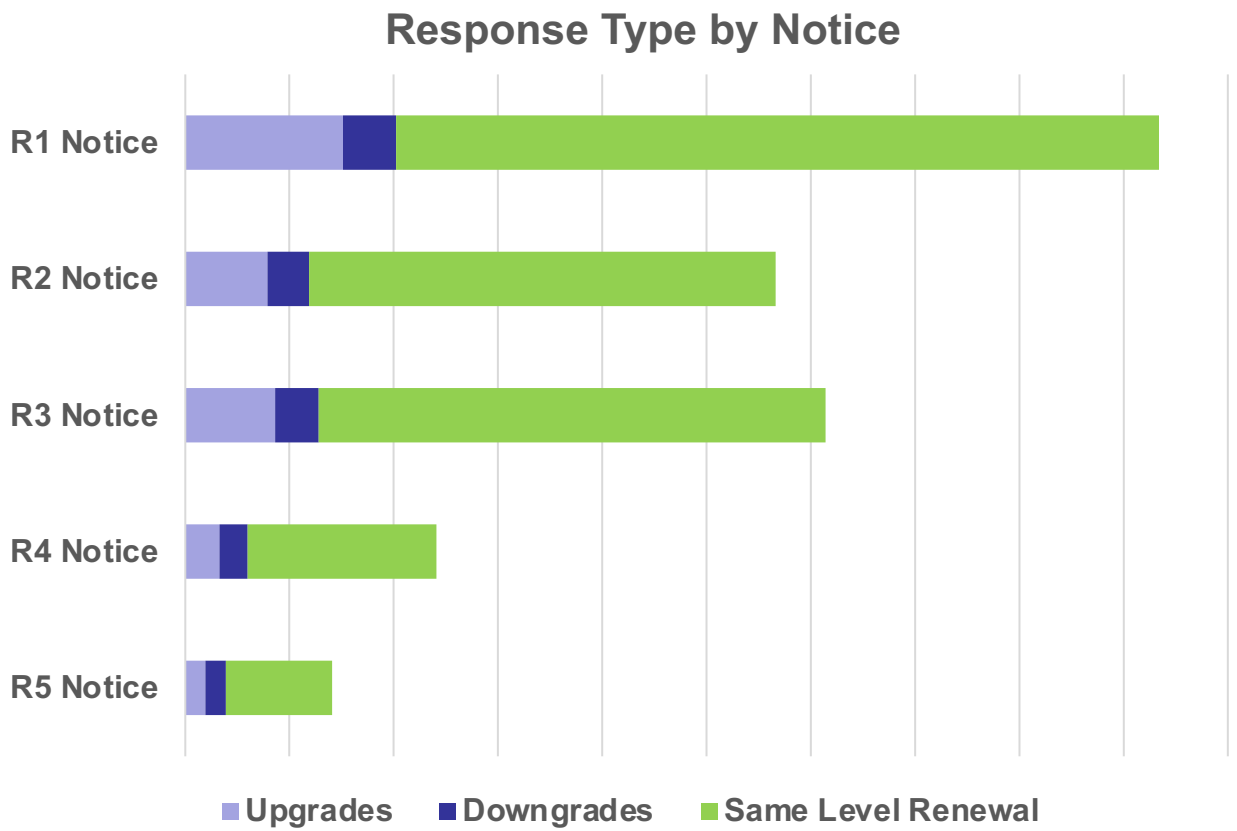
There are other important renewal benchmarks to establish in your membership program. Tracking month over month performance is useful especially if your organization experiences seasonal trends in attendance.



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Other Renewal Data Points to Benchmark, continued

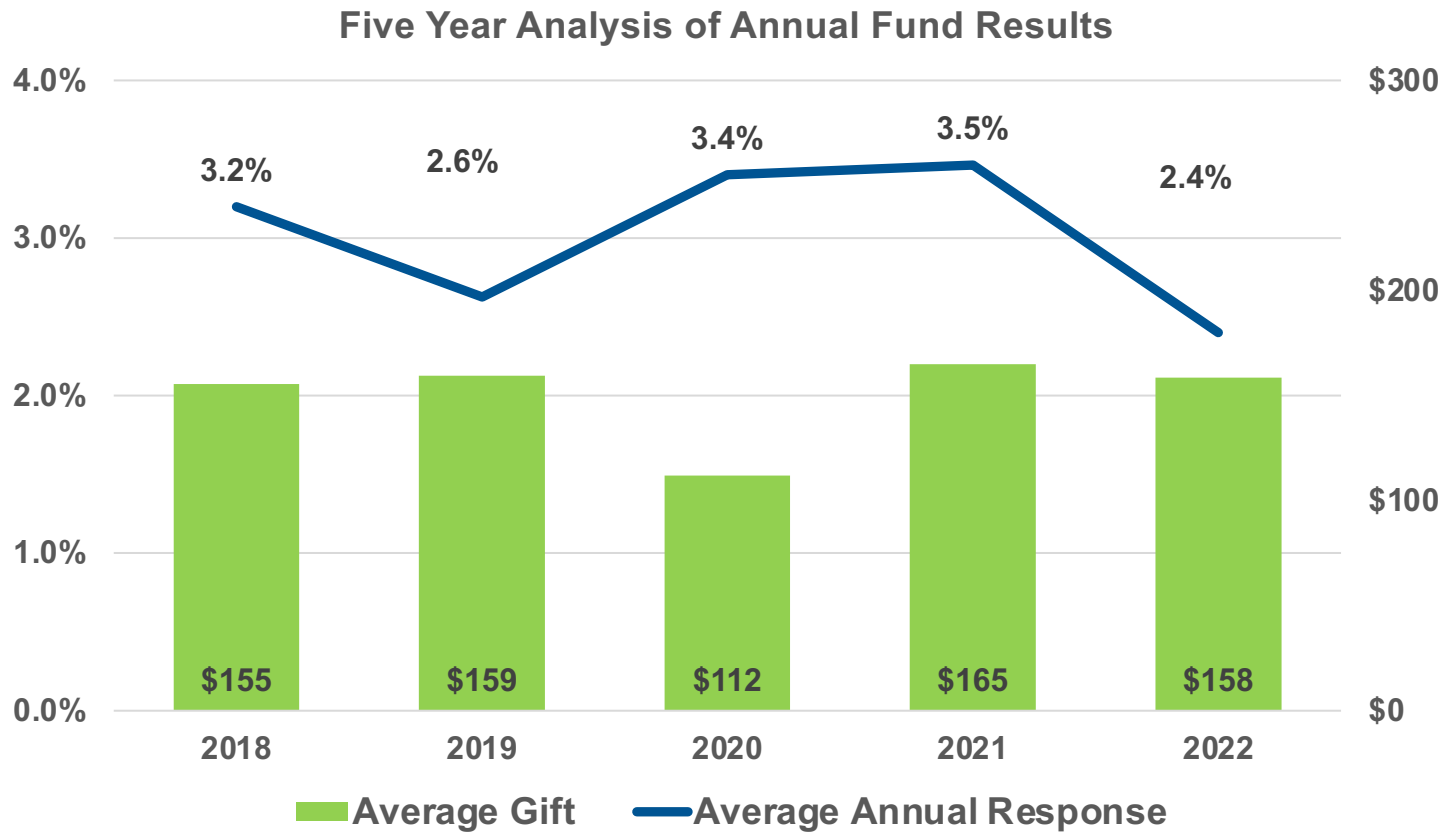
Response by notice type can help show the effectiveness of each notice on level movement. Tracking upgrades, downgrades, and same level renewals will also provide a deeper understanding of renewals.



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Annual Fund Response Rates and Average Gifts

As noted earlier, 2022 saw a decline in year-over-year fundraising for the first time since 2009. This followed two very strong fundraising years after what might be considered standard years in 2018 and 2019.



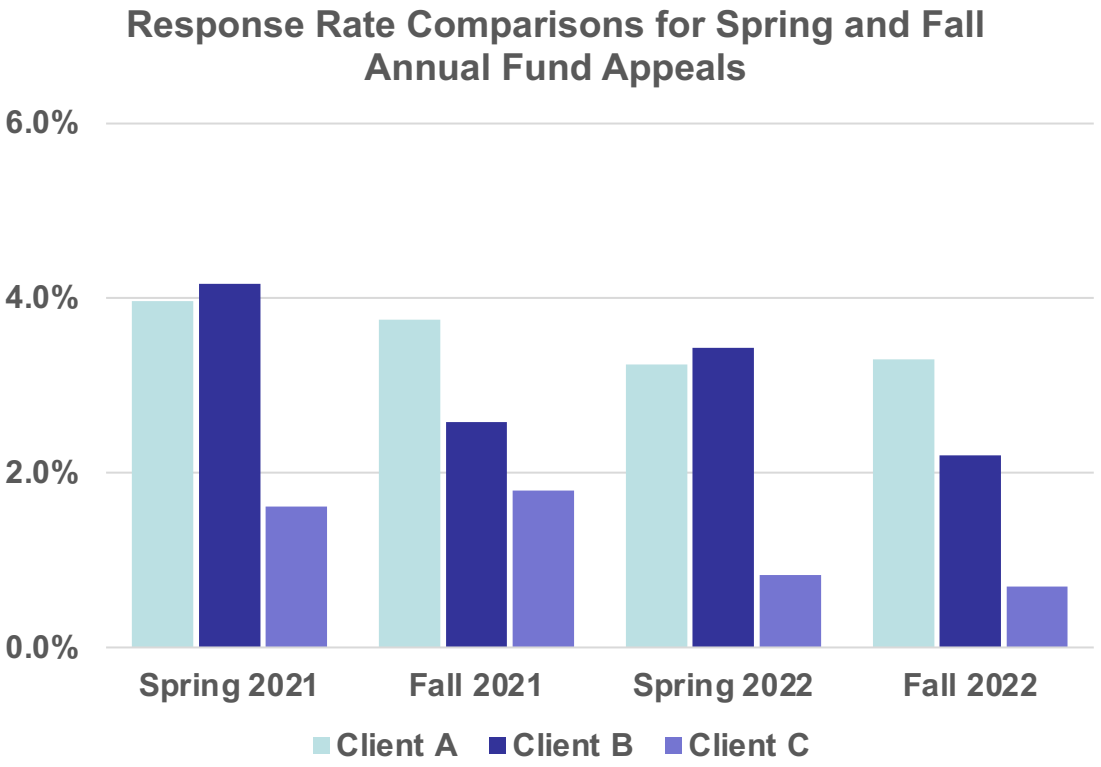
Giving by individuals declined "6.4 percent in 2022 (a decline of 13.4 percent, adjusted for inflation)" compared to 2021.

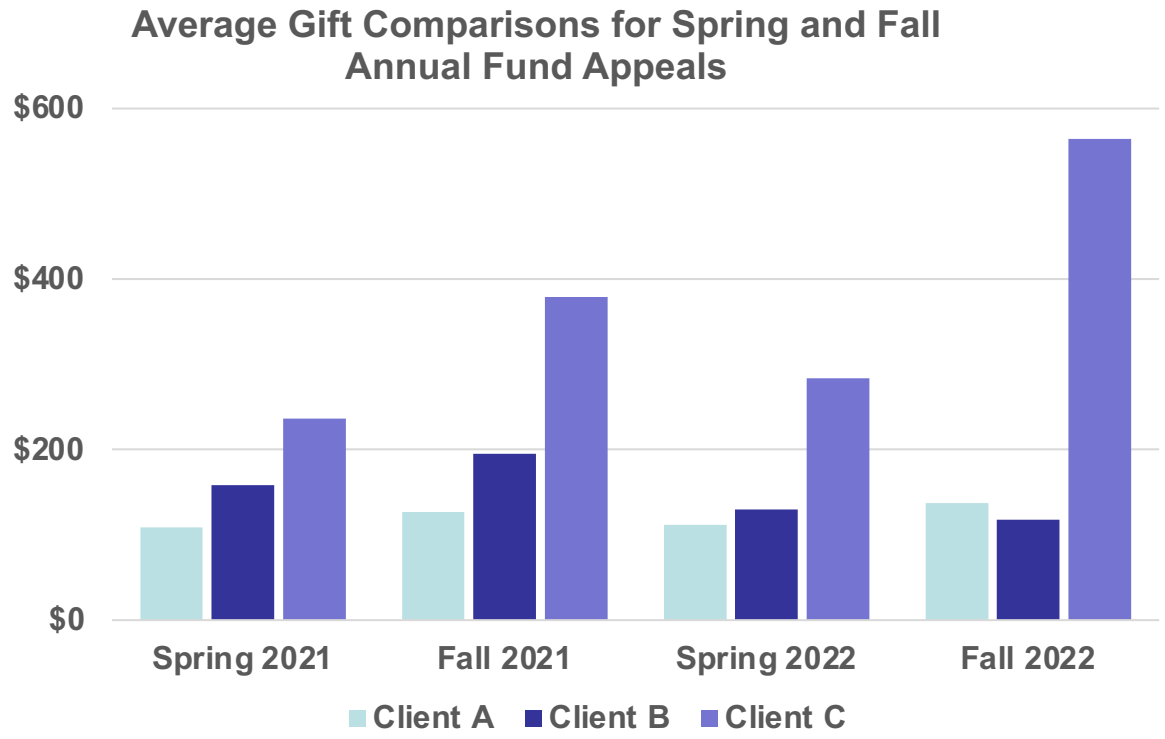
Giving USA: The Annual Report on Philanthropy, June 2023

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Annual Fund Seasonality

Many more appeals are mailed during the traditional year-end fundraising season, achieving solid income. It's important to be in the mail in that time-period. For some institutions, also mailing in the January – August time frame can be a profitable strategy.





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Benchmarking: How Does Your Museum Measure Up?

Kimberly Barrow, Associate Director of Membership

DIA Facts:

DIA's collection is among the top six in the United States, with more than 65,000 works.

Among our most notable acquisitions are Mexican artist Diego Rivera's *Detroit Industry* fresco cycle, which Rivera considered his most successful work, and Vincent van Gogh's *Self-Portrait*, the first Van Gogh painting to enter a U.S. museum collection.



DIA Facts:

We are supported by the Tri-county millage (property tax) passed in 2012 that allows free admission for tri-county residents; others $18/person

Tri-county millage provides 67% of our operating budget. The remainder is raised by memberships, admissions, fundraising and enterprise activities.



DIA Facts:

Recent ***Van Gogh in America*** exhibition drew 232,193 visitors

The DIA was recognized with an Art and Business Award from ARS Magazine for ***Van Gogh in America*** in the category of Best International Exhibition.



Net Change in Household Membership Statistics - January 2023

Category	New	Rejoin	Renewal	Drops	This Month	Last Month	Variance	Last Year	Variance
			U/D In		1/31/2023	12/31/2022	vs. pr mo	1/31/2022	vs. pr yr
Society of Associates ($25,000)	0	0	0	0	22	22	0	22	0
Chairman's Associate ($10,000)	0	0	0	1	13	14	-1	18	-5
Director's Associate ($5,000)	0	0	0	0	59	59	0	60	-1
Sustaining Associate ($3,000)	0		0	2	95	99	-4	110	-15
Supporting Associate ($2,000)	0	0	2	0	143	141	2	144	-1
Conservator ($1,000)	0	3	0	5	204	208	-4	158	46
Contributor ($600)	1	2	2	7	340	345	-5	293	47
Patron ($300)	3	17	9	19	983	978	5	1,013	-30
Affiliate ($180)	50	122	21	78	4,726	4,629	97	3,484	1,242
Family Plus ($110)	291	300	16	101	6,571	6,089	482	2,903	3,668
Companion ($80)	248	141	11	36	2,524	2,168	356	1,478	1,046
Individual ($65)	76	38	0	25	760	677	83	612	148
Senior ($60)	237	289	27	118	6,188	5,772	416	4,723	1,465
Staff-Current	4	0	0	5	425	426	-1	345	80
Staff-Retired	0	0	0	0	85	85	0	79	6
Total Membership	**910**	**912**	**88**	**397**	**23,138**	**21,712**	**1,426**	**15,442**	**7,696**
Last Month	**867**	**1082**	**130**	**372**					
Variance	43	-170	-42	25					

New, Rejoin & Renew members by month and MOY & YOY variations

Exhibition	Opening Month	Sneak Peek Preview	Friday Member Lecture	Saturday Member Lecture	Member Preview Thursday Attendance	Members Preview Friday Attendance	Members Preview Saturday Attendance	Public Opening Sunday Attendance	Thur-Sunday Totals
James Barnor Retrospective	**May-23**	**125**	**213**	**n/a**	**n/a**	**297**	**117**	**231**	**645**
Van Gogh in America	Sep-22	453	512	475	n/a	1,349	1,261	1,555	4,165
By Her Hand: Gentileschi	**Feb-22**	**75**	**870**	**75**	**n/a**	**204**	**314**	**230**	**748**
Star Wars	May-18	300	n/a	255	n/a	1,212	1,582	1,644	4,438
Monet & Church	Oct-17	300	375	304	n/a	898	721	532	2,151
Diego & Frida in Detroit	Mar-15	469	865	672	1,349	1,895	1,471	1,732	6,447

Renewal Rates

Expire Date	July	Aug	Sept	Oct	Nov	Dec
10th MONTH	24%	26%	23%	-51%	16%	13%
Upgrade Opportunity	May	June	July	Aug	Sept	Oct
# of Reg Renewals	1,359	1,173	954	460	902	2,615
11th MONTH	30%	22%	39%	25%	11%	21%
1st Renewal Notice	June	July	Aug	Sept	Oct	Nov
Phone Call or Letter	1,027	872	731	696	756	2,277
				70		
12th MONT	21%	29%	22%	18%	23%	55%
2nd Renewal Letter	Jul	Aug	Sept	Oct	N	
TOTAL	723	680	449	525	675	1,806
13th MONTH	22%	16%	13%	16%	23%	17%
3rd Renewal Letter	Aug	Sept	Oct	Nov	Dec	Jan
TOTAL	570	484	350	432	520	814
						0
14th MONTH	12%	15%	17%	25%	17%	21%
4th Renewal Letter	Sept	Oct	Nov	Dec	J	
TOTAL	443	408	303	361	400	679
					1	
14th MONTH						
Month-End Dropped	Sept	Oct	Nov	Dec	Jan	Feb
TOTAL	389	346	251	270	332	536
	4					
RETENTION BY MEM CATEGORY						
Expire Date	July	Aug	Sept	Oct	Nov	Dec
Chairman's Associate	100%	100%	100%	100%	0%	100%
Director's Associate	100%	0%	0%	67%	0%	78%
Sustaining Associate	100%	100%	88%	100%	100%	94%
Associate	100%	100%	91%	75%	100%	93%
Conservator	80%	40%	90%	100%	75%	71%
Contributors	74%	75%	85%	83%	85%	82%
Patron	83%	87%	86%	81%	79%	89%
Affiliate	78%	77%	77%	60%	73%	85%
Family Plus	65%	61%	68%	5%	52%	74%
Companion	59%	60%	54%	-113%	53%	70%
Individual	64%	55%	68%	14%	45%	69%
Senior	72%	73%	77%	56%	66%	78%
	--		--	--		
Expire Date	July	Aug	Sept	Oct	Nov	Dec
# Renewed-Reg Notices						
%Renew[illegible] by Renewal Notices	71.4%	70.5%	73.7%	41.3%	63.2%	79.5%

Renewal Rates by Month

Response Rates by Channel each Month

- Look for trends
  - Increases before exhibition opening
  - A/B testing of solicitations
  - Campaign launch
  - Effects of world news / election timing
- Course correction as needed

Space Center Houston



Amy Marks

Membership & Development Services,

Director

Nearly 30 years experience

amarks@spacecenter.org | +1 281 244 2106

Space Center Houston

- Official Visitor Center of NASA Johnson Space Center
- Smithsonian Affiliate
- 1.1 million visitors last year
- Over 250,000 students and teachers
- The most popular destination in Texas for international visitors
- 12,000 members

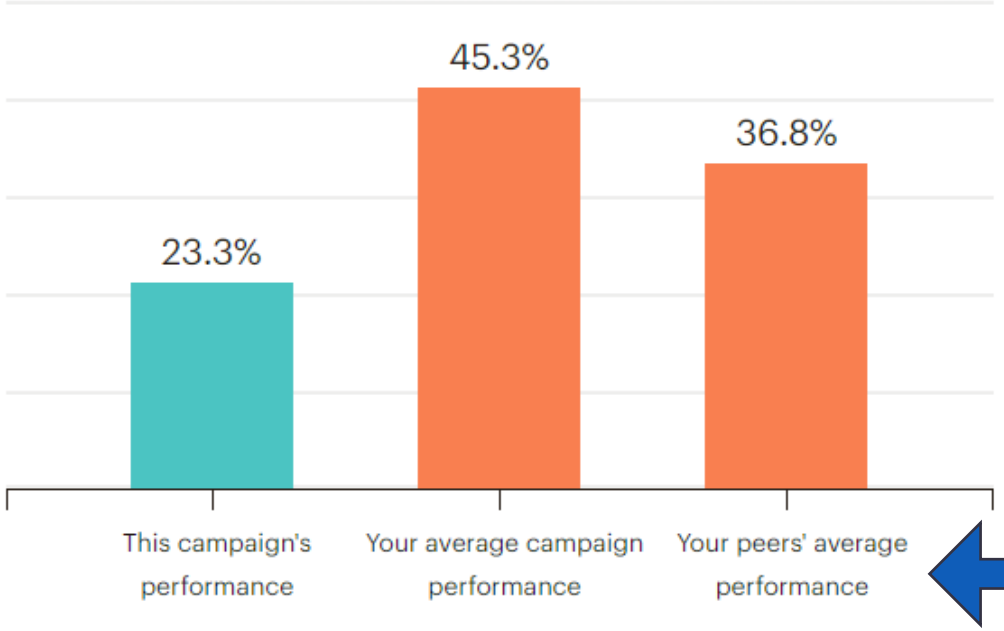


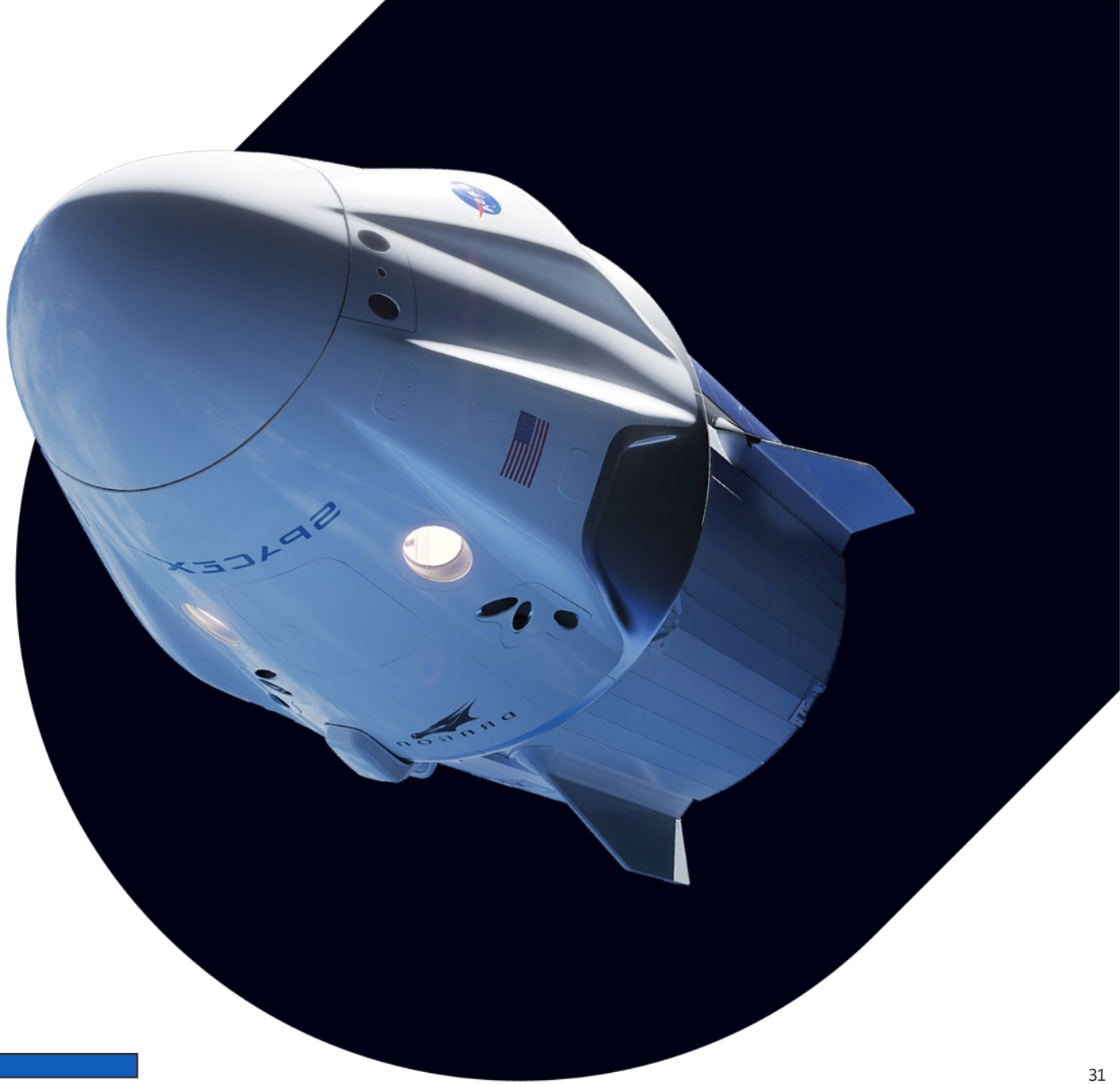
Space Center Houston

Email Benchmarking

How your email campaign compares

Open Rate | Click Rate | Unsubscribes





Lots of sources for email benchmarks

Email performance

Compared to last 7 days

7 days

Click rate	Open rate	Clicks per unique opens	Unsubscribed
0.85%	46%	1.8%	40
↓ 58%	↑ 3.1%	↓ 59%	↑ 67%





Tracking for Success

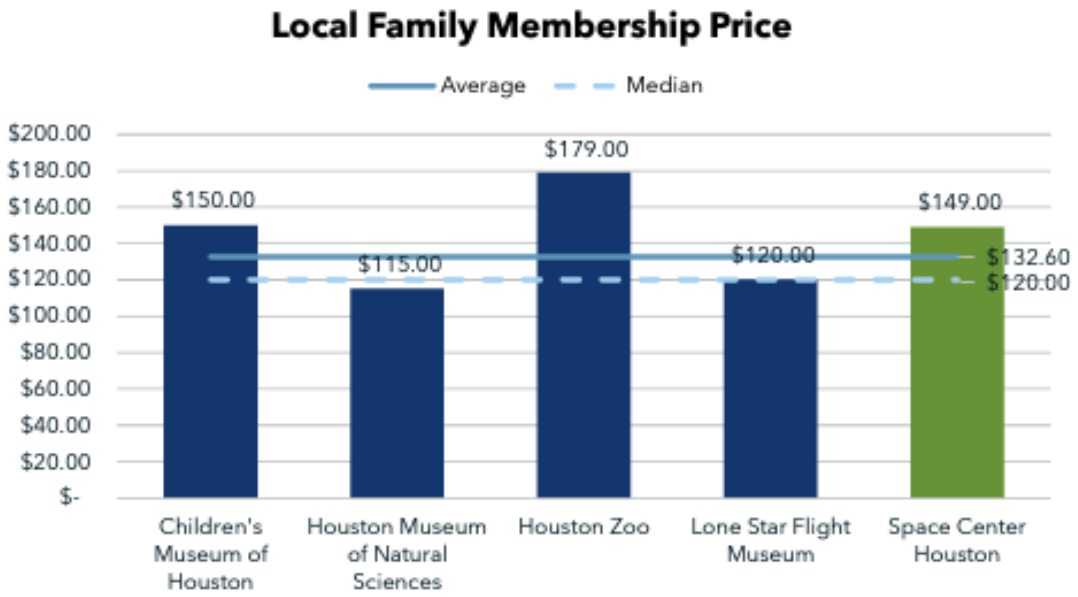
Send	Series	From	Subject Line
Renewal R0 - C.P - Exp Feb 2023 - Send 11/15	0B	Space Center Houston	*|FNAME|*, you're an essential part of our mission crew.
Renewal R3 - All Members - Exp Nov 2022 - Send 11/29	3C	Space Center Houston	Time is running out to renew your membership!
Renewal R0 - Contributor- Exp Mar 2023 - Send 12/15	0B	Amy Marks, Membership Director	*|FNAME|*, your membership is expiring soon

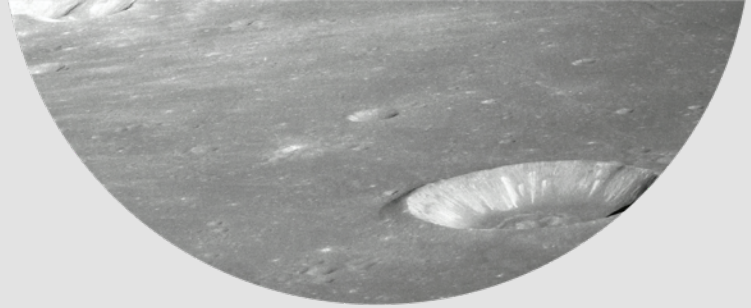
Conversion!

Email Response By Series	Avg. Open Rate	Avg. Click Rate	# Membership Responses	Income	Response Rate per Send	Response Rate per Open	Response Rate per Click	Avg. Bounce Rate	Avg. Opt Out Rate
0B	52.39%	11.80%	245	$ 37,836.80	2.7%	5.2%	50.2%	0.07%	0.06%
0C	52.87%	11.02%	163	$ 25,141.60	2.7%	5.3%	41.8%	0.14%	0.08%
1B	51.80%	3.68%	92	$ 16,387.00	1.5%	2.7%	61.0%	0.18%	0.11%
1C	54.50%	4.16%	59	$ 10,552.75	0.6%	1.3%	31.8%	0.20%	0.15%
2	55.23%	2.80%	34	$ 6,667.50	0.5%	0.9%	29.9%	0.09%	0.17%
3B	53.85%	3.51%	28	$ 4,591.50	0.9%	1.7%	43.8%	0.16%	0.24%
3C	52.42%	4.93%	32	$ 5,938.50	0.4%	0.8%	11.0%	0.10%	0.13%
5	52.25%	2.56%	18	$ 3,571.00	0.6%	1.1%	43.7%	0.12%	0.25%
	53.16%	**5.56%**	**671**	**$ 110,686.65**	**1.2%**	**2.4%**	**39.1%**	**0.13%**	**0.15%**



Local Family Memberships





$132.60

—

Local Benchmark Average of a Family Membership



Multiplier

Method to benchmark different membership and ticket structures.

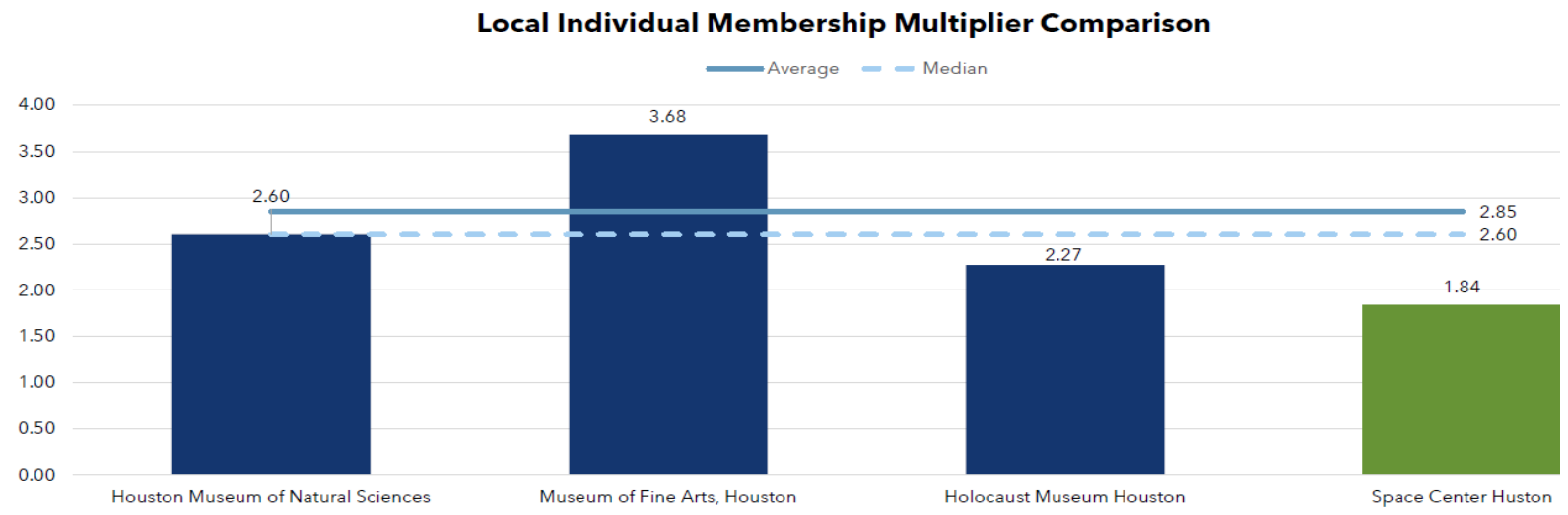
Not Standard

Blanket 2.3?

Conference in 2018? From top 20 institutions?

Admission Value

Membership Price ÷ Total cost of general admission tickets for the same number of admissions



CH Individual Membership Multiplier: 1.84

enchmark Average: 2.85

An individual membership multiplier of 1.84 is below the local benchmark average of 2.85.

Space Center Houston

Benchmarking Multipliers Nationally

National	Benchmark	SCH	SCH Price
Individual	2.8	1.8	$55
Dual	2.0	1.5	$90
Family (4)	1.2	1.2	$149
Family (6)	NA	1.3	$229



BRIAN RUSSO

Director of Membership and Annual Giving

- Joined the Garden in 2018
- Manage Membership program and a team of 6 staff





NAPLES BOTANICAL GARDEN

LOCATION

Naples, FL

Southwest Florida

MISSION

Conserve the plants and habitats of the tropics, cultivate beauty, offer knowledge, and inspire the protection of nature.

ABOUT US

Opened in 2009

170 acres in total

15,000 Member households

260,000 Annual visitors

SALES CHANNEL USAGE

CHANNELS

Online
Visitor Center
Backoffice (Traditional mail)

METRICS

New Members
Renewal Cycle
Winter Acquisition (Largest mailing)
Overall

WHY

Track giving trends
Success of Visitor Services staff



	NEWMBR			RNL 1, 2, 3			WTACQ			OVERALL		
	Website	Visitor Ctr	Backoffice	Website	Visitor Ctr	Backoffice	Website	Visitor Ctr	Backoffice	Website	Visitor Ctr	Backoffice
Jul-21	23	44	2	64	34	145				111	97	155
Aug-21	19	36	1	77	33	141				298	120	162
Sep-21	77	57	1	71	43	131				520	278	185
Oct-21	133	151	0	103	68	89				385	366	231
Nov-21	343	222	1	189	151	160				846	576	216
Dec-21	311	190	1	136	108	240				826	483	325
Jan-22	150	275	1	169	136	340	56	155	99	450	628	457
Feb-22	150	282	1	192	181	155	59	209	25	493	707	206
Mar-22	122	249	1	244	173	462	38	125	9	489	576	510
Apr-22	67	193	3	213	156	343				334	418	370
May-22	49	104	3	131	86	187				231	229	211
Jun-22	37	44	0	89	54	199				202	144	301
FY22Total	**1,481**	**1,847**	**15**	**1,678**	**1,223**	**2,592**	**153**	**489**	**133**	**5,185**	**4,622**	**3,329**
FY22 %				**31%**	**22%**	**47%**				**40%**	**35%**	**25%**
Jul-22	28	41	0	78	45	117				160	120	139
Aug-22	21	45	0	87	43	153				169	113	173
Sep-22	33	46	2	111	32	165				202	93	176
Oct-22	126	2	2	207	11	109				402	17	140
Nov-22	302	174	2	338	249	255				875	554	325
Dec-22	181	153	3	316	158	390				767	421	514
Jan-23	157	255	3	334	274	384	74	128	100	670	709	529
Feb-23	125	281	5	318	318	360	53	155	41	567	783	440
Mar-23	102	252	3	314	290	330	32	102	11	543	664	378
Apr-23	56	116	3	197	125	330				431	381	442
May-23	38	86	1	152	70	254				238	228	294
Jun-23	26	21	0	122	53	148				191	93	174
FY23 Total	**1,195**	**1,472**	**24**	**2,574**	**1,668**	**2,995**	**159**	**385**	**152**	**5,215**	**4,176**	**3,724**
FY23 %				**36%**	**23%**	**41%**				**40%**	**32%**	**28%**



APPEAL CODES

WHAT DO WE TRACK?

Everything!

More than 20 appeal codes in fiscal year 2024

EXAMPLES

Renewal Cycle components

Membership Acquisitions

Major Gift Solicitor Letters

WHY TRACK?

Revenue projections for planning

Year to year comparisons/trends

Seasonal cash flow projection

IMPACTS OF WEATHER

EVENTS MAY - OCT

Single Indoor Space
Heat and rainy season

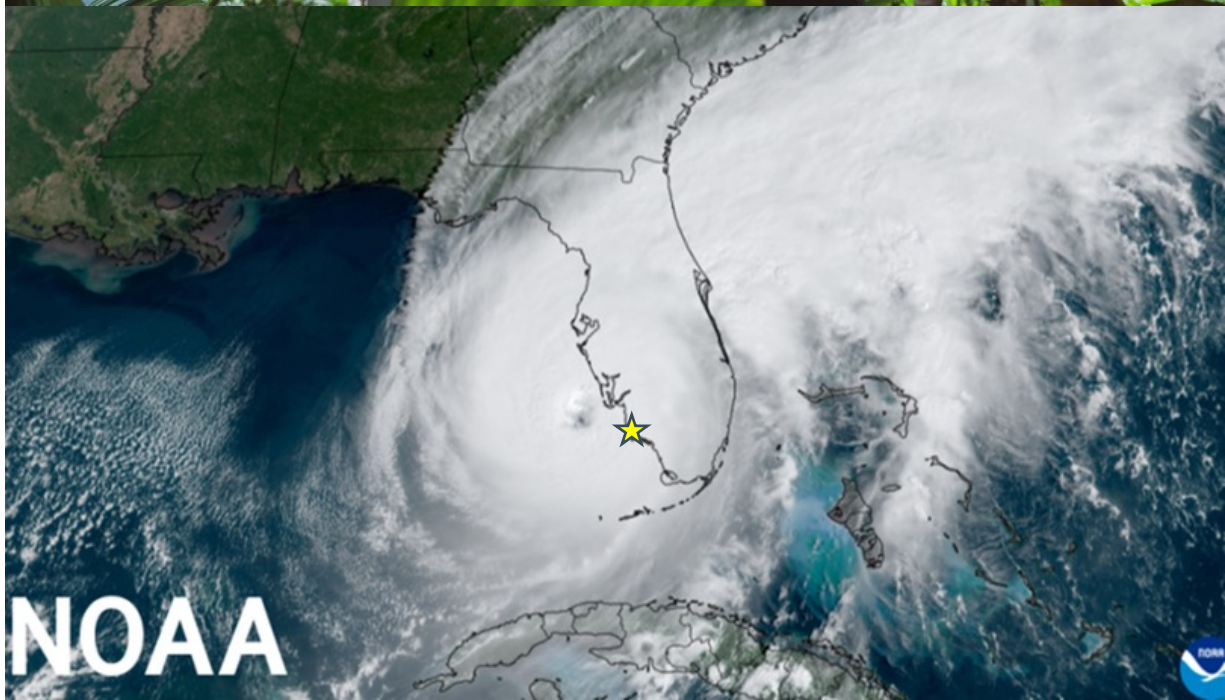
HURRICANE IRMA

September 10, 2017 – Category 3
Wind damage and power outages
4-week closure

HURRICANE IAN

September 28, 2022 – Category 4
Catastrophic wind and storm surge
5-week closure
Significant impacts to staff and member households
Delays to mailings, exhibition opening and events





Important Points to Remember

- Benchmarking is your friend!
- Even a little goes a long way: start with 6 basics
- Overall benchmarking will help you meet membership goals, understand growth or headwinds, measure the impact of changes to strategy, understand trends, forecast more accurately
- Be aware of outside circumstances that can impact your museum or garden, and your program
- Think "smart" like DIA in tracking monthly membership stats; SCH looking closely at email benchmarks and conversion; Naples with sales channel tracking

Know your own numbers, but also reach out to other museums and gardens in your region or sector to compare numbers. Your peers are happy to share and learn from you!

QUESTIONS?

Contact Information

- Mae Daniller, President, Daniller + Company, mdaniller@daniller.com
- Sue MacLaren, Director of Analytics, Daniller + Company, smaclaren@daniller.com
- Kimberly Barrow, Associate Director of Membership, Detroit Institute of Arts, barrow@dia.org
- Amy Marks, Membership & Development Services Director, Space Center Houston, amarks@spacecenter.org
- Brian Russo, Director of Membership & Annual Giving, Naples Botanical Garden, brusso@naplesgarden.org

Thank you!