



IMPACT STUDY

*Beliefs,
Behaviors,
and Attitudes
in Response to
the Economy*

Winter 2009



ASSOCIATION MEMBERS IN THIS STUDY

American Alliance for Health Physical Education Recreation and Dance (AAHPERD)
American Association of Law Libraries (AALL)
American Association of Museums (AAM)
American Association of Pharmaceutical Scientists (AAPS)
American College of Clinical Pharmacy (ACCP)
American College of Phlebology (ACP)
American Council on the Teaching of Foreign Languages (ACTFL)
American Counseling Association (ACA)
American Health Information Management Association (AHIMA)
American Hospital Association (AHA)
American Industrial Hygiene Association (AIHA)
American Institute of Architects (AIA)
American Institute of Certified Public Accountants (AICPA)
American Institute of Chemical Engineers (AIChE)
American Medical Association Alliance Inc (AMA Alliance)
American Nurses Association (ANA)
American Physical Therapy Association (APTA)
American Political Science Association (APSA)
American Snowsports Education Association
American Society for Microbiology (ASM)
American Society for Parenteral and Enteral Nutrition (ASPEN)
American Society for Quality (ASQ)
American Society of Civil Engineers (ASCE)
American Society of Heating, Refrigerating and Air-Conditioning Engineers Inc (ASHRAE)
American Society of Interior Designers (ASID)
American Society of Landscape Architects (ASLA)
American Society of Mechanical Engineers (ASME)
American Society of Plastic Surgeons (ASPS)
AMVETS National Headquarters
AOPHA, The Advocate of Not-For-Profit Services for Older Ohioans
APICS The Association for Operations Management (APICS)
Appraisal Institute
ASAE & The Center for Association Leadership
ASM International
Association for Career and Technical Education (ACTE)
Association for the Advancement of Wound Care (AAWC)
Association Forum Of Chicagoland
Association of College Unions International (ACUI)
Association of Fundraising Professionals (AFP)
Association of periOperative Registered Nurses (AORN)
Association of Professional Chaplains (APC)
California Park & Recreation Society Inc (CPRS)
California Water Environment Association (CVWEA)
Construction Management Association of America, Inc. (CMAA)
Electronic Retailing Association (ERA)
Emergency Nurses Association (ENA)
Fairfax Bar Association (FBA)
Financial Planning Association (FPA)
Harford County Association of Realtors Inc
IEEE
Illinois CPA Society (ICPAS)
Illinois State Bar Association (ISBA)
Independent Insurance Agents and Brokers of New York Inc (IIABNY)
InfoComm International (InfoComm)
Institute of Industrial Engineers (IIE)
International Association of Foundation Drilling (ADSC)
International Paralegal Management Association (IPMA)
International Society for Pharmaceutical Engineering (ISPE)
International Water Association (IWA)
Marble Institute of America (MIA)
Measurement Control and Automation Association (MCAA)
Medical Group Management Association (MGMA)
NACE International, The Corrosion Society
National Association for College Admission Counseling (NACAC)
National Association for Court Management (NACM)
National Association of Secondary School Principals (NASSP)
National Athletic Trainers Association Inc (NATA)
National Automatic Merchandising Association (NAMA)
National Burglar and Fire Alarm Association (NBFAA)
National Council of Teachers of English (NCTE)
National Kitchen & Bath Association (NKBA)
National Private Duty Association (NPDA)
National Safety Council (NSC)
New Jersey Society of Certified Public Accountants (NJSCPA)
New York State Bar Association (NYSBA)
Ohio Osteopathic Association (OOA)
Ohio Society of CPAs
Ohio State Bar Association (OSBA)
Oncology Nursing Society (ONS)
Oregon Medical Association (OMA)
Plumbing Heating Cooling Contractors Association (PHCC)
Professional Convention Management Association (PCMA)
Project Management Institute (PMI)
Promotional Products Association International (PPAI)
Public Relations Society of America Inc (PRSA)
Refrigeration Services Engineers Society (RSES)
Sigma Xi, The Scientific Research Society
Snow and Ice Management Association (SIMA)
Society for College and University Planning (SCUP)
Society of American Florists (SAF)
Society of Critical Care Medicine (SCCM)
Tennessee Recreation and Parks Association (TRPA)
The Minerals, Metals, and Materials Society (TMS)
The Texas Exes
Utilities Telecom Council (UTC)
Water Environment Federation (WEF)
Wisconsin Housing Alliance

SECTION 1

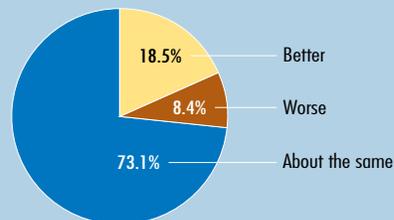
EXECUTIVE SUMMARY

Why study how members of associations feel about the current economy? In many ways association members represent the sturdiest support beams of the American workforce, as they represent a highly educated, well compensated, and highly employable sector of the working public. To that end, even slight murmurs of anxiety about the economy among this group could speak to more pronounced shifts overall. ASAE & The Center's study is one of the biggest and broadest conducted of association members, including more than 8,500 respondents across 97 diverse associations. As the results show, association members are largely confident in the face of the economic downturn, but they also have a number of significant concerns. Their thoughts about how they plan to respond to the recession provide valuable insights for leaders, both within the association sector and outside of it.

An indication of the generally rosy outlook among association members is that more than twice as many of them expect their employment situation to improve than worsen in the coming year.

FIGURE 1

Next year at this time, do you think that your employment situation will be better, worse, or about the same as it is now?



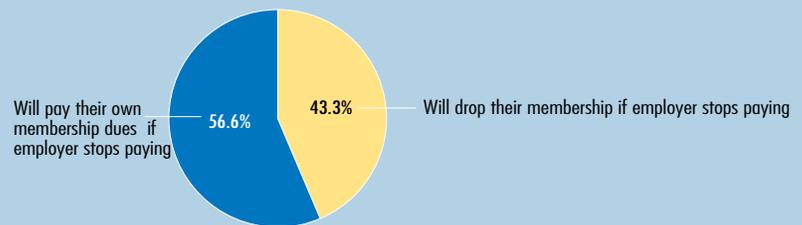
It must be stressed that this study does not predict how association members will act in response to a faltering economy; it only reflects how they think they will act. However, this research will serve as a benchmark for future studies. We will likely have a clearer picture of how changes in the economy affect association members when we replicate this study later in the year.

The Critical Role of the Employer

In the 12 months preceding the survey, the Dow Jones Industrial Average lost 35 percent of its value, while the ranks of the unemployed in the United States grew by 3.6 million. In the fourth quarter of 2008 the real gross domestic product declined 3.8 percent—its steepest decline in 26 years. In response to those grim trends, employers are cutting their budgets. Should those employers decide to cease paying membership dues, association membership rolls are likely to weaken: Nearly half of those who have all or part of their dues paid by their employer (56.9 percent of all respondents) say they will drop their membership if their employer stops paying.

FIGURE 2

Likely Action on Next Renewal Among Those Whose Dues Are Covered by An Employer (Pie represents 56.9 percent of all respondents)



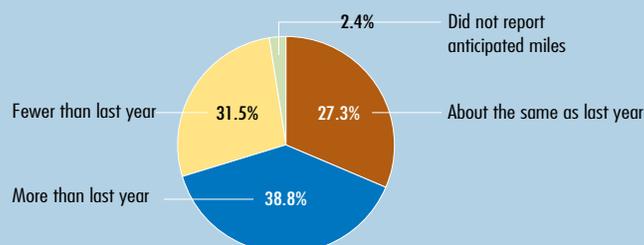
Mild Apprehension

Association members responding to the survey express some wariness about the current economic crisis, but so far their level of anxiety is less than one might expect.

For example, many association members who traveled to an association event in 2008 reported that they expect to travel farther on their longest trip in 2009. Of those who traveled any distance for an association meeting, learning session, or volunteer activity in 2008 (78.1 percent of all respondents), more than a third report that the longest trip planned for 2009 will be farther from their home. However, another third report that they plan to travel fewer miles.

FIGURE 3

Distance of Farthest Planned Trip in 2009 Among Those Who Traveled Last Year (Pie represents 78.1 percent of all respondents)



The Impact of Negativity

As shown in Figure 1, only 8.4 percent of survey respondents say they feel their employment situation will be worse a year from now. That low figure isn't surprising: It's reasonable that employed, educated, and skilled people would have a relatively positive outlook. But those with a gloomy employment outlook are of particular interest because their beliefs, behaviors, and attitudes consistently reflect problems ahead for associations if this group grows. With little indication of an economic rebound in the near future, it's fair to expect an increase in their numbers in the coming months.

Even a slight increase in gloominess can have a wide range of effects on association revenue. Meeting attendance provides one example. One-third of those who predict their employment situation will be better in the next year report that they are likely to attend a multiday association event; only a fourth of those who predict their employment situation will be worse in the next year say they are likely to attend such an event. The difference may seem small, but according to ASAE & The Center's *Operating Ratio Report (13th edition)*, meeting registrations account for 12 percent of revenue while meeting expenses are 11 percent of budget, meaning any gain for such programs are in the margin, with even small changes potentially reversing profitability.

Overall, those with a worse outlook appear to value their association affiliation less: Few strongly agree with the statement that "My association(s) provide me with the resources I need to cope with a down economy." Indeed, that statement generated the fewest positive responses from all respondents—an important lesson for associations as they decide what tools to provide for their members in the coming months.

Because of their generally more pessimistic view of their association relationships, the proportion of association members expecting their employment situation to worsen will be closely monitored in future ASAE & The Center Impact Studies.

The Past Isn't Always Prologue

Most ASAE & The Center studies show that future behavior is best predicted by past performance. This study is no exception: Respondents who reported attending any type of association meeting last year are far more likely than others to report they plan to attend a similar meeting in the coming year. But if association leaders are pleased that the doom and gloom of the economic news hasn't deeply permeated the psyches of their members, some of the survey's findings will provide a dose of reality.

For instance: Of association members who attended a face-to-face association event last year such as a trade show or an education program, 57.9 percent report a high probability of doing so this year. That means 4 out of 10 in the association's strongest market—last year's attendees—show at least some hesitation about returning. To be sure, an influx of members who didn't participate last year might boost attendance, but only 18.1 percent of those who did not attend any in-person event last year report a high probability of doing so in the coming year (and history shows that this group is less reliable to follow through on their intent).

A NOTE ON METHODOLOGY

ASAE & The Center Impact Study—Beliefs, Behaviors, and Attitudes in Response to the Economy investigates the past and planned activity of association members in light of current economic conditions. This study represents the largest and most comprehensive survey to date of association members about how the economic climate affects their involvement in organizations to which they belong.

Ninety-seven diverse organizations participated in the study and contributed approximately 150,000 member names. From this group, we received 8,531 valid responses. While the response rate is low, at an overall 6 percent, we received responses from some members in all of the 97 organizations. In addition, we know that 20 percent of the respondents belong to more than one of the 97 associations and that our survey software culls duplicates, increasing the effective response rate by approximately 20 percent. It is important to note that the cosponsoring associations randomly selected member names (so we know respondents are dispersed throughout the memberships and are association members). The survey asked respondents about association activity in general, not about any specific association in particular. Therefore, this is a study of people who belong to associations responding about their activities with any association in the group.

Please see the end page of this white paper for more on the methodology of this survey.

In addition to surveying association members, we also collected information from cosponsoring associations. Interspersed throughout this report are boxes reporting "What association leaders think," to compare the organization's views to the views of members.

Demographics

A variety of demographic questions were asked. Of them, gender, location inside or outside the United States, and type of membership (individual vs. company) do not provide many differences of significant interest. On the other hand, employment status (entry level through CEO), age, employment outlook, and the type of organization do provide significant differences. (We discuss these differences in context as appropriate.)

FIGURE 4

What is your gender?

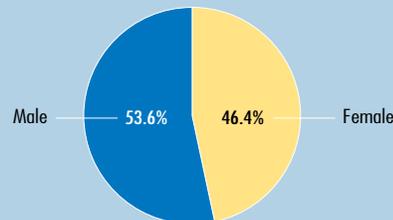


FIGURE 5

Where do you live? (Shown in Census Regions Among U.S. Respondents)

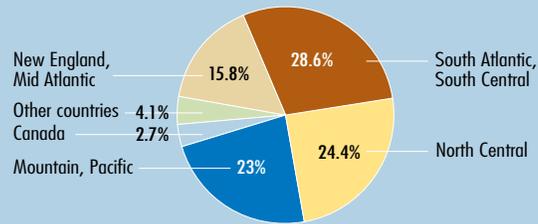


FIGURE 6

Which best describes your current career level?

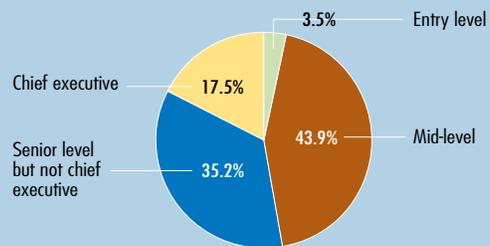
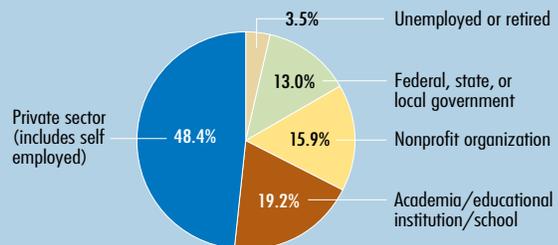


FIGURE 7

Which of the following best describes the type of organization in which you are employed?



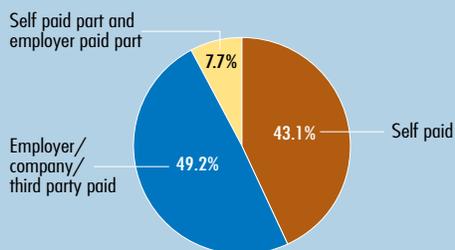
SECTION 2

MEMBERSHIP

Survey respondents were asked about their role in paying their association dues. A majority (56.9 percent) had all or part of their dues paid by a their employer at the last renewal, and this group may prove to be a key influencer on association membership revenue in the future.

FIGURE 8

Which of the following best describes how your association dues were paid the last time?



A prolonged recession may prompt a decline in association membership.

As shown in Figure 1, few respondents (8.4 percent) believe that their employment situation will worsen this year. Indeed, association members in one of the hardest-hit sectors, the construction and design industry, appear to believe that the economy has hit bottom: Many more respondents working in that industry than in others say they feel their employment situation will improve in the coming year. But a negative attitude about one's job situation is worth noting, because it has a strong impact on membership: Respondents who believe their employment situation will worsen in the coming year are twice as likely to drop their memberships as those who feel it will improve. If overall confidence in one's employment situation continues to erode in 2009, the number of association members with a negative outlook is likely to grow—and perhaps just as likely to provoke a reduction in association memberships.

FIGURE 9

Percentage of Respondents Who Plan to Drop Their Association Membership at Next Renewal Regardless of Who Pays (by Perception of Employment Situation)



Those who don't pay their own dues are at risk

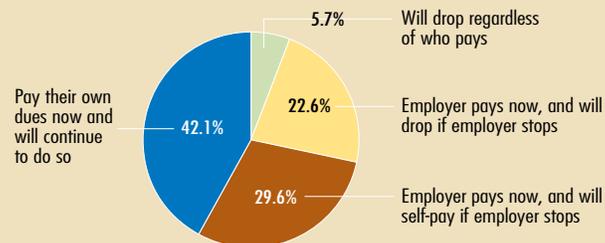
A majority of association members participating in the survey (56.9 percent) had their association dues paid at least in part by their employer or some other third party. Association leaders ought to be careful about counting on the loyalty of those members in a recession. If that third party decides to stop covering membership costs, members split almost evenly into two camps: About half say they'll pay their own dues, while half say they'll drop their membership.

FIGURE 10

Likely Action on Next Renewal

What association leaders say:

Association executives are somewhat more pessimistic about future membership renewals, anticipating a nine percent drop.



The connection between being a decisionmaker about membership and preserving one's association membership isn't strictly a function of age. Industry sector also plays a part. People who work in the education and arts & culture sectors are the most likely to drop their memberships in the coming year, and those sectors have the lowest proportion of decisionmakers regarding memberships. Conversely, the health-care sector has the smallest proportion of members who plan to drop their memberships, and the highest proportion of those who make all membership decisions.

The members most likely to stick around are the ones who make decisions about membership.

Most members say they make decisions about some or all of the associations to which they belong. In contrast, Millennials (those born in 1977 and later) have the lowest proportion of association members paying their own dues, and they also have the highest proportion of those who say they'll drop their membership the next time they're asked. This may speak to the relative lack of authority that millennials have when it comes to making association membership decisions. (Respondents were asked about their role in making decisions on both personal and company memberships.) Approximately a fourth of millennials surveyed are in entry-level positions, and relatively few entry-level employees make membership decisions. Moreover, those in entry-level positions are the least likely to pay membership dues themselves if their employer stops paying their membership dues.

FIGURE 11

Which of the following best describes your role in decisions about your association memberships?

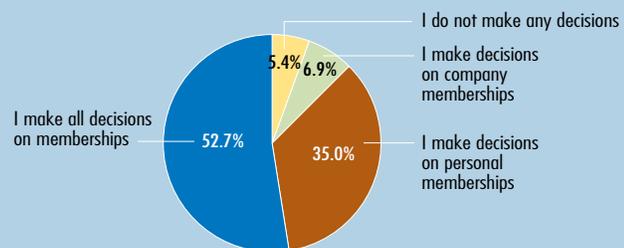
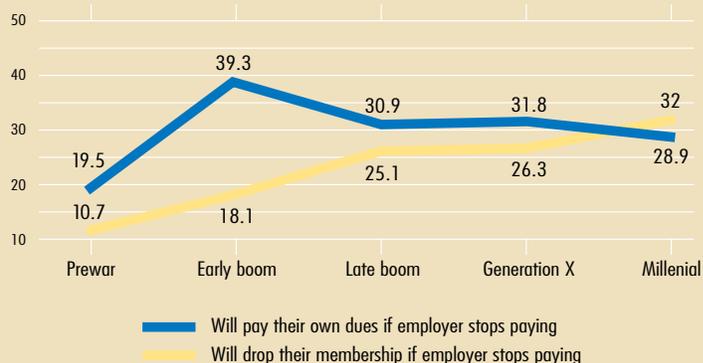


FIGURE 12

Likely Action on Next Renewal (by Age)

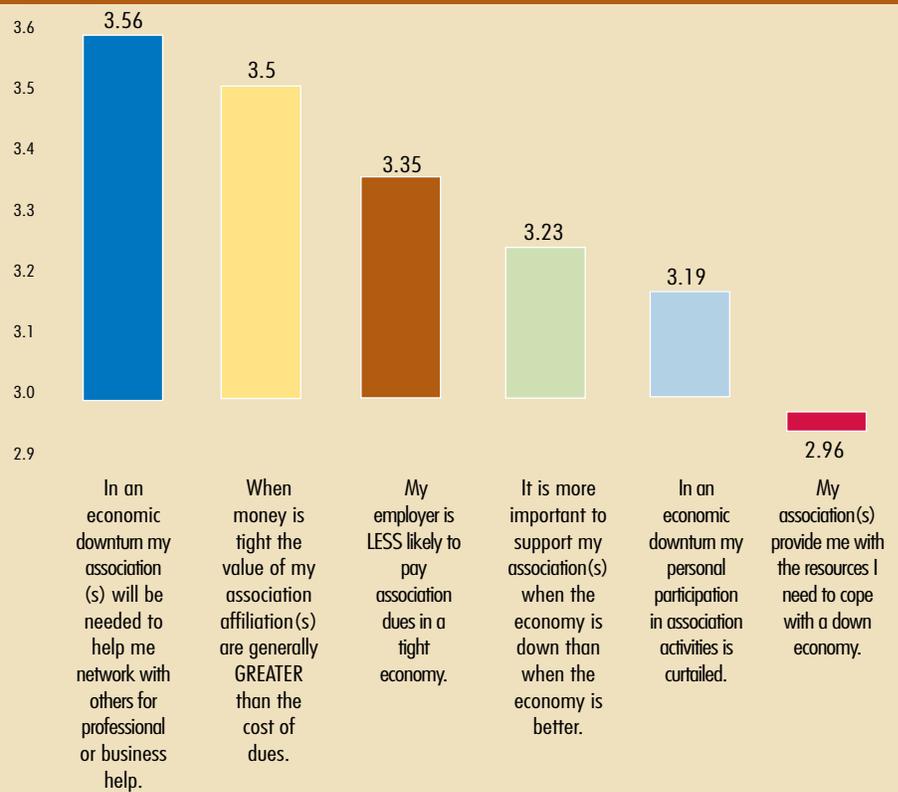


Members think that associations don't have the tools to help them weather the storm.

Survey respondents were asked a number of questions about how they perceive the value of their association membership. In general, members seem to value the networking opportunities that associations provide, but they have much less confidence in associations' ability to provide resources in a recession. That lack of confidence is consistent regardless of type of membership, location, or career level.

FIGURE 13

Responses to questions about the value of associations (1 = "strongly disagree," 5 = "strongly agree"; chart shows mean.)

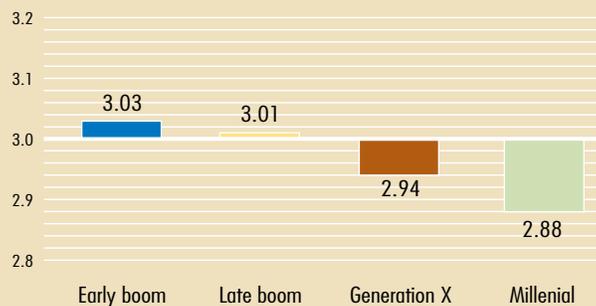


Youth isn't feeling served.

Younger, lower-level employees are more at risk because they are the least likely to see the value in their association memberships. Only 12.1 percent of all respondents strongly agree that their association provides them with the resources necessary in a down economy, and confidence in associations is substantially weaker among millennials and entry-level employees.

FIGURE 14

My association(s) provide me with the resources I need to cope with a down economy (1= "strongly agree," 5= "strongly disagree"; chart shows mean.)

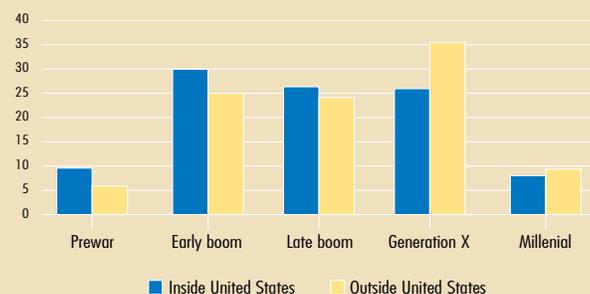


Association members living outside the U.S. may be more committed to their memberships.

Association members living outside the United States make up just 6.8 per cent of this survey’s respondents—and, as noted in ASAE & The Center’s 2007 survey *The Decision to Join*, may constitute a unique sub-population of non-U.S. residents, for a variety of reasons. But there are some strong distinctions between them and their colleagues in the United States. Those living outside the country are more likely to pay their own association dues than those living in the United States. They are also more likely to believe that their employment situation will improve in the coming year, and less likely to drop their memberships. Because there are a larger proportion of individual members outside the country, contact with international associations might be done better on a more personal level; such appeals might be best directed at Gen-Xers and Millennials, who represent larger proportions of association members outside the U.S.

FIGURE 15

Association Membership by Age



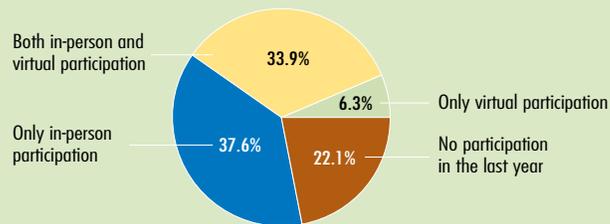
SECTION 3

MEETINGS AND EDUCATION

Survey respondents were asked about their participation in a variety of meetings conducted both in-person and virtually. In-person meetings include tradeshow, conferences or conventions, and education training or professional development programs. Virtual meetings include events conducted online (either real-time or self-paced), by telephone or any other electronic format. Most respondents said they participated in at least one of these activities sponsored by an association in 2008.

FIGURE 16

Types of meeting participation in 2008



Members aren't planning to replace face-to-face meetings with virtual experiences.

Based on this study, reports of a vast migration from face-to-face gatherings to online alternatives appear to overstate the case. Of people who only attended in-person events last year, only three percent say there's a high probability they'll only attended virtual events this year. In fact, if there's a migration at all, it's going the other way: Nine percent of people who only attended virtual programs last year say they're likely to attend only a face-to-face meeting this year.

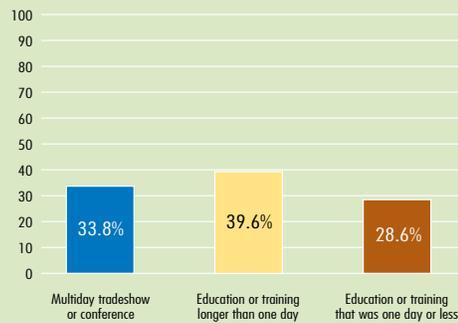
The primary market might be shrinking.

For most meetings, the best predictor of future attendance is past attendance. This study bears out the notion: In general, 40 to 50 percent of those who say they attended a particular type of meeting in the past year say there's a high probability they'll attend that type of meeting in the coming year. Conversely, only one in ten of those who did not attend an association meeting last year report a high probability of attending an association meeting in the coming year.

Looking ahead, there appears to be some softness in association meetings' primary market. No matter what type of meeting one studies, it's clear that those who went to a similar event sponsored by an association in the past year have some strong reservations about doing it again this year. In each case, about one-third of people who went to any association event last year report a low probability of doing so again in the coming year.

FIGURE 17

Percent of 2008 in-person association meeting attendees who report low probability of going to the same type of meeting in 2009



If the economy worsens, the forecast might be worse.

Association members with a gloomy outlook on the economy—those who say they expect their employment situation to worsen in the coming year—are much more likely to agree with the statement “In an economic downturn, my personal participation in association activities is curtailed,” than those who think their employment situation will be the same or better. In addition, a majority of those who say their employment situation will worsen don’t have a high probability of attending any kind of association event (live or virtual) next year, regardless of what they did in the previous year. Overall, as the economic climate worsens (or fails to improve), the number of people with worse outlooks can be expected to climb.

FIGURE 18

In an economic downturn my personal participation in association activities is curtailed. (1= “strongly agree,” 5= “strongly disagree”; chart shows mean.)



Members may be cutting lower-cost travel first.

Assuming that the costliest meetings are the ones that are farthest from the respondent's home, we asked respondents to answer questions about their farthest travel distance in the past year and anticipated distance in the coming year. We broke those distances down to four ranges: none, within 50 miles (local travel), between 51 and 300 miles (regional travel) and over 300 miles (long-distance travel).

Unsurprisingly, there is a strong correlation between the distance one traveled in the last year and the distance of intended travel in the coming year. Generally, though, those who traveled the farthest distance on their longest trip last year are more likely to report at least one long-distance trip in the coming year. Of those who reported any past-year travel under 300 miles, two out of three expect to travel the same distance in the coming year. In comparison, of those who traveled more than 300 miles on their farthest trip in the past year, three-quarters expect to travel that distance in the coming year. This may suggest that while members remain committed to larger events that are likely to be held farther from home, such as annual meetings, they may be planning on cutting back on shorter trips to help finance them.

What association leaders think:

Association executives generally expect meetings and education revenue to be less or the same as last year. For tradeshow and conferences, eight out of ten expect a decrease. However, four out of ten associations are expecting their revenue from online education to increase – an expectation that may be a rude awakening for associations given that members seem loath to migrate from in-person to online activities.

SECTION 4

VOLUNTEERING

Recruiting volunteers may be harder—but only a little bit.

Most association members don't volunteer for their association. But when they do they perform a wide variety of services: mentoring, professional advice, member recruitment and governance. The incidence of association volunteers in this study echoes the findings of our 2008 study, *The Decision to Volunteer*. In both studies, about a third of respondents reported having performed any activity as a volunteer for at least one association in the past year. Because the survey research for *The Decision to Volunteer* was conducted before the start of the current recession, it seems fair to argue that economic conditions have less of an effect on volunteering than on other association activities.

Looking ahead, 50 percent of those who say they volunteered for an association in person last year say there is a high probability that they will do so this year as well; another 25 percent say they're more likely than not to volunteer again. That represents a slight decline in commitment, but one not nearly as pronounced as that for meetings and education.

SECTION 5

A weakening economy may prompt fewer publication purchases, particularly among those least confident in their employment situation.

PUBLICATIONS

The market for books, magazines, newsletters, and other association print publications appears stable: Half of all survey respondents purchased such materials from an association last year, and approximately half of all survey respondents believe there is a high to medium likelihood that they will do so in 2009. However, a pessimistic attitude about employment has an impact on the likelihood of future publication purchases.

FIGURE 19

High to Medium Probability of Buying an Association Print Publication in 2009, by Perception of Employment Situation



What association leaders say:

On this front, the thinking of association executives seem largely in line with what their members say. Executives largely believe that publication sales will hold steady in the coming year (47.2 percent), though slightly more than a quarter of them anticipate a decrease (26.4 percent).

STUDY DESIGN AND METHOD

Survey Planning and Implementation

For this study, each cosponsor contributed either a complete list of members or a randomly selected list of members, up to 3,000 members per association. Both individual membership and company membership organizations were included in the study.

We designed the survey during November 2008 and deployed it through an electronic survey service in waves, beginning on December 11, 2008 and ending on January 26, 2009. All nonrespondents received at least one follow-up communication. Most cosponsors also sent an email to the members they contributed containing a link to the study.

Respondents were asked to identify ways in which they participated in the activities of the association(s) in their field and then to predict the likelihood of their participation in the same activities in the coming year. These activities include meetings, travel, educational programs, virtual programs, publications, and volunteer opportunities. Respondents were also asked to rate statements about the value of general and specific association functions in light of the economic climate.

Strengths and Limitations of This Study

This study represents the largest and most comprehensive survey to date of association members about how the economic climate affects their involvement in organizations to which they belong. It was designed and implemented using recommended practices, including a validated mailing list of current cosponsor members, multiple requests to complete the survey, confirmation of membership within the survey, and stringent editing which resulted in the removal of more than 500 responses that did not confirm membership, were irrational, or were inconsistent with reasonable behavior.

The participation of a large number of cosponsoring organizations, given the expected variation in their membership base, increases the generalizability of the data to the extent that our respondents are representative of members of similar organizations.

All surveys are subject to sampling error (caused by predictable variation between sampling frames) when they depend on a random selection of respondents rather than the full universe of possible subjects. However, even with an effective response rate of 8 percent, it is not difficult with a sampling frame of this magnitude to exceed expected confidence intervals of 95 percent. Our respondents reflect the characteristics of the full sampling frame with a very low margin of error of less than 1.5 percent.

Of greater concern with a study of this kind is the possibility of some non-sampling error (i.e., error built into the study design). Nonsampling errors of various kinds occur to some extent in all studies, but can be minimized. Although the methods described above reduce the likelihood of major problems, we note here several potential causes of response bias in this survey. Respondents will interpret questions differently, and some may also be unwilling to provide correct information. Respondents may also be unable to accurately recall information about their participation in the prior year or be unreliable in their projections for the coming year. In addition, timing during the holiday season during a period of significant economic and political upheaval can also increase the likelihood of selection bias, because some members might be more prone than others to ignore association email. However, if the response bias that results is unpatterned, the harm is minimal.

Given the scope of this study, we are confident that the results will be highly useful to the field of association management. And will provide a useful benchmark for similar studies we plan in the coming months and annually thereafter.