



## Museums Development Yorkshire

### How To...build, extend and develop supporter engagement

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May 2013

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## How To...build, extend and develop supporter engagement

### 1. Introduction and brief

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Development Partners (DP) has been asked to review opportunities for building, extending and developing supporter engagement for museums and cultural/heritage organisations, with particular reference to Friends and Membership schemes.

Throughout this report, the following definitions are used:

- Friends**            A separate charitable organisation which uses the name and reputation of a museum/arts organisation to provide benefits to its members and to contribute to the museum/arts organisation according to the terms of its own constitution.
- Membership**    An in-house managed, revenue-generating scheme offering benefits to members
- Patrons**            A higher level programme, run either in-house or by Friends, often with varying levels of membership and commensurate benefits.

### 2. Context

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In a changing and challenging economic climate, it is timely to review the role that supporters can play in helping their organisations of choice to survive and develop.

Friends have done huge amounts to support museums and cultural organisations in the past, but as times change and direct communication between museums and their supporters becomes more essential, the relationship between museums and their Friends organisation needs a radical rethink.

Museums, art galleries and cultural and heritage attractions (both local authority and independents) need to make the most of opportunities to develop their supporters networks

for a number of reasons, not least as a vital means of generating income over and above core revenue streams such as admissions, retail, catering, and other activities.

In order to maximise income-generation and fundraising potential it is increasingly important for an organisation to manage its own relationships with its different supporters, through direct communications, and in ways consistent with the organisation's own brand and identity, core vision, key messages, and strategies across audience development, and donor relationships.

However, a Friends or membership scheme is not automatically the best way forward, particularly for smaller organisations for whom the costs and resource commitments involved in setting up and running such a scheme, set against the benefits, are disproportionate and impractical. For these organisations it is more appropriate to develop relationships through existing mechanisms, such as season tickets.

This paper looks at different types of supporters, and gives a guide as to how to develop the supporter networks that **you** need for **your** organisation.

### 3. General Supporters

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#### 3.1 What kind of supporters?

There are numerous ways in which people can demonstrate their commitment to, get involved in, and support, organisations, including:

- those who visit the venue, attend events, use the café, spend in the shop, visit the website, share and contribute on social media
- those who volunteer time and skills to the practical management of the organisation
- those who donate funds to enable the organisation to deliver its primary objectives
- those who advocate the importance and value of the organisation to stakeholders, potential visitors, funders and donors

These different types of people have the common denominator of interest in the organisation, but the aspect and depth of their involvement will vary enormously: a variation which is reflected in the ways in which they can be initially contacted and 'captured', and the relationships nurtured.

### 3.2 General supporters: building an extended network

In the first instance, it is vital to develop an extensive pool of general supporters out of which specific interest groups can be segmented, in order to secure specific types of supporter engagement, or to conduct particular campaigns and activities. This extended network will be invaluable in its own right as a platform for future communications.

It is vitally important to establish a direct route to supporters – which means capturing their details to be able to maintain a conversation with them (while satisfying Data Protection requirements). Usually this communication will be via email.

The touchstone of developing supporter networks is communication. Nowadays this is essentially through proactive use of e-communications - the website, e-newsletters and social media (including Twitter, facebook, and blogs) - which enable quick, cheap, cost-effective, frequent and targeted communications; provide opportunity for dialogue and feedback; and for which usage can be analysed and interpreted. They also have the capacity to nurture supporters from a distance (UK or worldwide) - people who may never actually visit your attraction, but who are interested in the core subjects/have a personal reason to support.

All communications need to be managed carefully to ensure that they are consistent with the brand image and identity of the organisation, and support and reflect core messages.

There are numerous ways to build this wide network of contacts:

- Existing mailing lists (update and 'clean' on transfer to new system)
- Visitors onsite to the venue: general visitors; café users; those who spend in the shop; participants in events, workshops; corporate hire bookers
- At off-site events and activities – give out 'Keep in touch, sign up for newsletter' card to drive those interested to the website to sign up (ideally collected by staff/a volunteer)
- Visitors to the website. Use website as the central point to drive e-newsletter sign up
  - have prominent 'Keep in touch, sign up for newsletter' button on all website pages.
  - give people clear reasons to join (e.g. hear first about events/receive special offers)
  - boost sign up by prize draws/short term offers
- Active recruitment campaigns and activity including:

- Use social media activity to build profile and awareness of newsy things the organisation is doing...to drive interested people to the website to sign up
- Extend reach via harnessing existing networks of committed supporters: ask Trustees (and staff, volunteers etc.) to send an introductory email to their own contact lists, saying 'I'm involved/support this Museum, why don't you sign up for more information'
- Partnerships with other organisations with similar interests, who will have staff, customers, supporters that would be interested in your organisation

It is essential to keep this extended 'general supporter' network engaged and interested through a regular (at least monthly, less frequent is not good practice) e-newsletter which is lively, upbeat, varied (in covering a range of aspects of the organisation) and engaging. It should link to the website for more details as required.

Ad hoc special emails can be sent if there is a particularly interesting item of breaking news, to make the recipients feel they are getting privileged information, and being kept in the loop.

### 3.3 Creating committed supporters

Committed supporters are those who have taken a further step to engage with an organisation. This might be by making a donation, or volunteering their time and skills. These people will need more tailored communications, encouraging them to engage in a way that is most appropriate to them. The overall aim is to build on their initial commitment, drawing them closer to the organisation and ensuring that their needs are being addressed.

Communications directed at them may include dedicated sections within the general e-newsletter (which also spreads awareness of the benefits of committed support). There will also be communications and events specific to these groups of supporters, which may include:

- Volunteers - who give time and/or expertise
  - Own/tailored e-newsletter
  - Own website page –can include testimonials and profiles on volunteers
  - Training and briefing sessions
  - Special 'thank you' events
  - Benefits

- Donors – who contribute financially to the organisation, whether as one-off donations, or regular support. Benefits need to reflect giving levels, and not over-service relative to contribution.
  - Own website page
  - Own/tailored e-newsletter
  - Credit and acknowledgement
  - Individual visits and meetings
  - Previews, special events (private receptions)
- Patrons – who contribute financially at a higher level, with varying levels of memberships and donations, and commensurate benefits
  - Tailored communications
  - Individual programmes, private dinners, high level access

## 4. Friends' schemes

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### 4.1 Is a Friends organisation the right way to develop the supporters your organisation needs?

Historically, the platform for supporters to get involved in an organisation has been through a Friends scheme. Often this was because local authority and national museums did not have charitable status and could not fundraise themselves. However with the changing status of heritage organisations, demographics and social behaviours, supporter expectations and, not least, the opportunities presented by e-technology and communications, Friends schemes are no longer necessarily the best way for people to get involved in, and benefit, their chosen organisation.

Therefore, before 'automatically' embarking on the launch or further development of a Friends scheme, it is essential to be clear as to exactly what you are wanting from supporter development activities. Then you can consider whether a Friends scheme is the right vehicle to achieve those ends or whether an alternative would be preferable for the organisation's long term sustainability.

#### 4.2 Range of roles played /contributions by Friends schemes.

Friends schemes can play an important role in supporting a Museum/arts/heritage organisation by:

- providing a familiar and easy to understand mechanism for those interested to get involved
- proactively supporting an organisation through fundraising . Some Friends schemes make a real financial contribution to an organisation, some don't.
- being the registered charitable 'arm' which can raise funds from Trusts and Foundations and collect Gift Aid for the core organisation (if it isn't a charitable trust itself, eg local authority)
- offering the opportunity to build loyalty as well as bring in extra unrestricted income
- providing a pool of names that have opted into communication with your organisation and have made a positive decision to be more closely involved. These people are not only useful as frequent visitors and ambassadors, but are more likely to become your volunteers and individual givers of the future
- Friends can also offer a pool of volunteers.

But they can also:

- be inward-looking, self-serving, a drain on and a cost to the organisation they purportedly support – more interested in what they get than what they contribute
- go 'off-piste' with messages, brand, objectives that are inconsistent, or even at odds with the core organisation
- not want to do fundraising
- run fundraising activities that conflict with those of the organisation
- have declining membership/older profile - which can also deter younger members joining
- be seen as exclusive/out of touch/a clique
- require the kind of commitment which does not appeal to younger, busy, potential supporters (meetings, roles and responsibilities) (young professionals, young families etc)
- use out of date communications – paper newsletters and renewals, no website, lack of e-communications
- fail to provide Direct Debit facility at all, or only via printed instruction
- rely on a handful of longstanding individuals who take on all the key roles – too much responsibility over too long a period makes them overstretched, over-tired, inflexible



- be wrapped into/confused with other of the organisation's support initiatives eg Annual Pass, Season Ticket or Volunteers, possibly reducing the organisation's admissions income
- syphon-off unrestricted income (low level donations, season ticket sales etc) by channelling it through the Friends which then makes its own decisions about how those funds are spent
- channel volunteer time into the administration of the Friends group, rather than organisation activity
- result in a lower donation per member to the organisation than if their membership was made directly to the organisation.

#### 4.3 Characteristics of Friends schemes

DP has recently undertaken research into a number of Friends schemes, including galleries, museums and theatres in London and the English regions, which included looking at key messages, benefits offered, mechanisms for joining and communications. From this research we found

- The majority of Friends schemes are sold to members with a 'balanced' message (one that combines benefits and support). It is unusual for a Friends' scheme proposition to be solely benefits-led.
- The majority offer free and paid-for events, magazines or newsletters and a range of discounts (usually related to retail and catering)
- Where the organisation charges for admission, this is normally offered free to Friends members
- Most Friends schemes offer the option to join online
- Most do not offer special online benefits (eg members' area, online discounts)
- Average membership price in the regions averages £23

Most Friends members do not make a significant financial contribution to the organisation and when interrogated it appears that they consider their money-saving benefits to be more important than raising funds for the organisation.

## 5. Ways Forward

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### 5.1 If you already have a Friends scheme

Review how effective it is in support of your organisation:

- Does it share and reflect the core organisation's values, aims and objectives through consistent, controlled communications?
- Is it tied into any other schemes and reducing/restricting your income/benefit – Annual Pass, Season Ticket, or Volunteering schemes?
- Undertake a financial review of the scheme:
  - Does subscription make a real financial contribution to the organisation?  
What does it cost the organisation to run it (include staff time spent servicing it; rooms used; resources to support it)?
  - Is it to the organisation's benefit that the income is restricted by the Objects of the Friends, rather than being unrestricted and therefore under the direct control of the Trustees/Management
  - Does it actively raise funds for other aspects of work?
  - Do its membership recruitment or fundraising activities (eg donations or legacies) limit or conflict with those that the organisation might want to do itself?
- What is the level of membership (and trends in membership...increasing/declining)?
- What is the age profile?
- Are the Friends themselves aware of any issues around levels/profile of membership... would they be receptive to a revamp/relaunch?
- Does it use e-communications to communicate with existing members/reach out to new members?
- Is there a will to embrace digital communications and new technology to build and retain membership?
- Do you want the Friends to increase its membership, or would you prefer to reach out to those new audiences directly from the organisation?
- Does it reflect the best return on your investment of time and resources compared with other initiatives and activities?

Explore how these elements might be improved upon, and issues addressed.

Use the checklist above, and the Appendix to revise existing, or develop new aspects of your Friends scheme.

Don't duck the issues! If the Friends truly want to support your organisation, they will understand the importance of doing what is best for the organisation's long-term sustainability.

## 5.2 If you don't (yet) have a Friends scheme, but are tempted to start one ...

Are you really sure this is the best mechanism for you to achieve your aims?

Each individual organisation needs clarity about what it needs and wants from building relationships with supporters, and what its priorities are. It is unlikely that it would be in your organisation's best interests to create a separate Friends organisation, with the limitations and potential issues outlined above. If you wish to develop this kind of engagement programme, we recommend a more productive course of action is to develop a Membership scheme (see Appendix).

## 5.3 Perhaps you don't need any such scheme...

...but can develop your supporter engagements most effectively in other ways

There are strong reasons, particularly for smaller organisations, for not setting up any sort of 'scheme': all schemes take time and cost, to set up, maintain and develop. The (financial) success of membership schemes is usually related to the critical mass of the membership, and economies of scale enabled by servicing a large number of members by (relatively) small numbers of staff and core infrastructure (customer relationship management systems etc.). These economies of scale don't apply to smaller organisations, and the costs and commitment are likely to outweigh any benefits.

For organisations which charge for admission, there are mechanisms already in place which enable dialogue with your supporters: ticket sales, particularly season tickets/Annual passes give you their contact details and opportunity to build, and sustain a relationship.

For organisations which are free admission, there is more reason to develop some kind of an engagement scheme, as a mechanism to 'capture' and build closer links with those visitors and supporters who could otherwise 'escape' any contact being established.

In either case, it is crucial for organisations to be able to differentiate between those who want benefits (season ticket) and those who want to support (regular giving/appeal donations etc.). The relationships with these two groups need to be tailored and developed according to their main motivation.

**The most important thing for all organisations is to develop that bigger pool of contacts with whom to communicate and develop relationships.**

#### 5.4 Setting up a Membership scheme

A Membership programme will involve people (or organisations) that pay a regular annual subscription to support the organisation.

In return the organisation will offer low cost benefits that increase the Members' knowledge of the museum's activities and encourage closer involvement. It is important to ensure that benefit costs do not become a significant burden – this should be a way of generating extra income, not creating new expense. The 'magic' formula is low cost (financial/resource)/high perceived value.

The Appendix attached covers areas you will need to consider when setting up a Membership scheme, including:

- Benefits: Bearing in mind the needs and priorities of your organisation as defined above, what will be the appropriate benefits to offer to your target group of prospective Members, reflecting their particular primary roles and interests of General Interest/Donations/Volunteers/Advocacy?
- Pricing: Context of other comparable attractions; location; offer and experience
- Membership Types: Know your audience and tailor membership types accordingly
- Infrastructure required to manage the scheme
  - staffing
  - administration/financial systems and support
- Promotions
  - collateral: design and production (inc print)
  - e-communications: website; e-newsletter; social media
  - campaigns

## Appendix: Setting up a Membership Scheme – practical considerations

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### 1 Benefits

Bearing in mind the needs and priorities of your organisation as defined above, what will be the appropriate benefits to offer to your target group of prospective Members, reflecting their particular primary roles and interests of General Interest/Donations/Volunteers/Advocacy?

Benefits might include:

#### Intangible

- Satisfaction of being part of the organisation, supporting something which is worthwhile and interesting and is important to you.
- Opportunities to develop personal skills (through associated volunteering activity)
- Social interaction with people with similar interests

#### Tangible

- Joining gift, such as a car sticker
- Priority booking for events
- Discounted tickets / free admission
- Private reception before or at an event
- Special events (charged for separately)
- Shop / café discount
- Friends e-newsletter
- Occasional reciprocal benefits/offers at other organisations

### 2 Pricing the scheme

Explore the pricing structure of other Membership schemes at other organisations that are comparable in relation to a number of aspects, in order to realistically position your own:

- Scale of organisation – size, number of visitors/users
- Location – London/regional; urban/rural;
- Status of the organisation – funded/independent
- Focus of Members role – support or benefit led
- Range of benefits offered

### 3 Types of Members

Consider what categories of Members are appropriate for your organisation. Keep it simple. Identify what the profile of the customer 'pool' is, and the nature of your 'offer', and the engagement you want, and create up to 4 categories. These may include some of the following:

- Adult Individual/Couple
- Concession – seniors/students
- Family (how is this constituted)
- Annual/lifetime options
- Corporate

### 4 Infrastructure to support and manage the scheme

It is vital that your costs for systems, administration and membership benefits do not outweigh the income generated from the scheme, and therefore it is essential to accurately cost the resources required to deliver and operate a Members scheme. These will include:

#### 4.1 Staffing

Launching and running a Membership scheme is time-consuming, and provision needs to be made for an administrator who can manage the scheme, the promotional activity (primarily the e-communications, website updates and development, e-newsletter, and social media), and service enquiries, membership card mailings and most importantly membership renewals which need to be done on a rolling monthly basis ideally by email and as a last reminder by print to save costs.

This does not necessarily have to be a stand-alone post, but whoever takes on the responsibility needs to have the capacity to cover the range of tasks required.

It is always desirable to have the full support of your Trustees in launching and running a Membership scheme, particularly as they themselves may have networks that can be harnessed in recruitment of Members. It is helpful if one Trustee has particular interest in/responsibility for the Membership scheme, to be advocate for it at Board level, and to be able to encourage colleague Trustees in actively supporting it.

## 4.2 Admin/Financial

There are essential administrative elements and systems which need to be in place to run a Membership scheme:

- An appropriate budget for development, launch, and maintenance of the Membership scheme
- Any capital equipment
- Relational database containing contact details, financial information and a log of interaction with Members. This could be a CRM (customer relationship management) system which also holds other customer data so that potential members can also be identified and approached
- Financial processing system for subscriptions and donations, including Direct Debit options (including the means to send reminders for renewals/opportunities for donations etc)
- Facility for claiming of Gift Aid from HMRC.

Projections of income through subscriptions should be set against costs, over, say a 5 year period, with targets on income and expenditure. These should bear in mind that one-off set-up costs will make the launch year significantly more costly than subsequent years, alongside lower levels of membership income until a Membership scheme builds.

## 5 Promotions

### 5.1 Collateral/promotional materials

Whilst the majority of the promotional activity will be online and e-comms based, there is still a requirement for promotional materials to promote and support the scheme (and give added value to those recruited) including:

- Design of Members identity and brand, to be applied across communications
- E-comms
  - Website design, development and management
  - e-newsletter design and production
  - email renewal (if there is the facility to renew online)
  - Twitter and facebook activity
- Print
  - Membership cards
  - Friends leaflet/flyer

- Printed renewals (only to be used if people fail to renew after an email approach to save costs)
- Display materials
- Magazine if this can be cost justified; a designed C5 leaflet may suffice for small schemes
- Any other stationery

## 5.2 Promotional activity

Promotional activity for the Membership scheme should be included within the organisation's general communications, to maximise exposure and reinforce the supportive association between the organisation and its Members, including:

- Throughout e-communications
  - Links on the organisation's own website
  - social media activity
- printed publicity
  - leaflets
  - annual reports
  - onsite displays
- on site display
  - pop up banners to promote membership and also to indicate when a Members' event is on
  - 'Ask me about membership' badges for staff

### e-communications

If you have already built (as outlined in main paper 1.2) the wider contact network and created a larger pool of interested people with whom you keep in touch, you will have immediate access to an extended 'warm' audience, to whom you can launch your Membership scheme. This extended network will be also be invaluable to develop other specific relationships with different target groups and prospects as needs and campaigns develop.

### Continue extending the network: building database of contacts

- Visitors to the Membership website – have prominent 'Become a Member' button on all website pages. Use the website as the central point to encourage Member join up.
- Active recruitment campaigns and activity including:



- Use social media activity to build profile and awareness of newsy things the Members are doing...to drive interested people to the website to sign up
- Ask Members to forward details of the scheme and how to join to their friends and professional contacts
- Encourage Members themselves to tweet and post messages on facebook about what they are doing, how they are enjoying being a Member
- Extend reach via harnessing existing networks of committed supporters: ask Trustees (and staff, volunteers etc) to send an introductory email to their own contact lists, saying 'I'm involved/support this Museum, and hope you will be interested too...why don't you sign up for more information'
- Partnerships with other organisations with similar interests, who will have staff, customers, supporters that would be interested in your organisation

#### e-newsletter

Inclusion of news stories and features within the e-newsletter mailed to this extended network should, raise the profile of the Membership scheme and drive those interested to the website to become Members. Features can include:

- describe how the scheme supports the organisation
- cover what activities it undertakes
- give benefits Members receive
- include testimonials from founder/current Members as to why they joined (include different perspectives, people with varying age and demographic profiles)
- links to rich material on the website: blogs, films, pictures
- provide them with 'behind the scenes' information so that they feel they have special access to the collections and staff

#### Campaigns

There should be continued promotional activity to raise the profile of the Membership scheme through similar channels to those outlined above re building the extended supporters network, including:

- Displays/banners to target visitors onsite to the venue: general visitors; café users; those who spend in the shop; participants in events, workshops; corporate hire bookers
- Presence at off-site events and activities – give out 'Support the Museum, become a Member' card to drive those interested to the website to sign up

