Global Satisfaction Index 2013

A guide to how US association brands are perceived by the international community

White paper

mci
Building Community

Foreword

Have you ever wondered how your association's brand is perceived specifically by the international community? Is what you consider an exceptional value proposition viewed as relevant and valued by both members and customers in international markets?

Many associations have large numbers of "customers" who pay valuable sums of money to the organization for multiple reasons, such as: acquiring knowledge and continuing education; advancing their professional development; accessing the latest industry trends, benchmarks or standards and so on. And yet, how many associations take the time to find out what their customers think of them, or seek their feedback on important issues to help with product development or an evolving value proposition?

Associations tend, at best, to conduct an annual or triennial member satisfaction survey -consulting members only, and rarely focusing on topics that will help improve the value proposition of membership or products. Questions tend to focus around service issues rather than going to the heart of defining needs, gaps and relevance. Often these surveys do not help associations understand whether their overall membership benefits, as well as products and programs, impact their members' appreciation of return on investment (ROI) or perceived value.

Additionally, those associations that do seek the input of their members tend not to segment adequately to understand the differences of opinions or needs of those based in their home market versus those located elsewhere. As our MCI teams work with multiple associations' professional communities across 55 cities, in 28 countries and 6 continents, we hear a variety of perceptions and opinions.

These were the stimuli for us to launch our **Global Satisfaction Index (GSI)**. We wanted to encourage associations to consider the importance of their customers' view point, as well as their members' perspective, but also to put the spotlight on professional communities outside of the USA who are engaged with US-headquartered associations and specifically address the question of relevance and ROI.

Thanks to the visionary leadership of the **Council of Engineering and Scientific Society Executives (CESSE)** who clearly saw the value of such an Index, we were able to partner with CESSE to launch the first edition of the GSI in July 2013.

Thanks also go to our technical partner and expert, FairControl (www.faircontrol.com) - specialists in research, measurement, surveying and analysis of all types of marketing and communications activities that help render a brand more effective and directly accessible.

Enjoy reading!

Nikki Walker

Global Vice President,
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Consulting

MCI Group

Introduction

Over the last few decades associations of Anglo-Saxon origin, with products and programs available in English, such as those headquartered in the USA or the UK, have had the luxury of attracting customers or members from beyond their domestic boundaries: due, on the one hand, to the global accessibility of the English language; and, on the other hand, to the esteemed quality of their educational product portfolio, programs and publications built from an established body of knowledge and based on standards, codes, or generally accepted practices. In many cases this has happened with little conscious effort on the part of the association. However, as these same associations reach critical mass in their home market and face limited potential to grow, they look to proactively develop membership and product sales in new markets "overseas". Membership remains the traditional imperative, but membership does not carry the same value for professionals elsewhere, and many of the so-called member benefits and programs are only relevant to domestic members.

With more associations starting to focus their efforts on global growth - or continuing to profit from on-going global expansion - and designing strategies that will help them achieve maximum market penetration, they come to realize they really need more knowledge of what their diverse professional communities need from them. While they know a market does exist, as their products and services are being consumed outside the USA, they are not clear what overall value the association can bring to these new markets or what the professionals are looking for from the association.

As our MCI teams work with these associations in multiple countries to develop their new markets, grow brand awareness and adapt their value proposition so that it resonates with the local target audiences, we find increasing interest from the individual professionals and their employers for proven products and programs (certification and certificate programs, standards, accreditation, training and publications) that can help advance personal or corporate competitiveness. Conversely, there is less interest - or perceived relevance or value - in the bundled traditional package of membership. Fundamental to this premise is the fact that value and relevance are defined by the customer not by the organization. Both value and relevance are personal perceptions and are influenced by multiple issues such as: generation, cultural and national norms, buying power, professional status, corporate behavior, competition, preferred methods of acquiring knowledge – and more.

"*Membership does not carry the same value for professionals elsewhere, and many of the so-called member benefits are only relevant to domestic members*"

White paper

For both the customer and member segments outside of the USA, the highest level of satisfaction lies with products and services.

Our Global Satisfaction Index (GSI) sets out to monitor and articulate this perception of value, and highlight what is important to the professional communities outside the USA. It provides associations with a benchmark against which to measure progress and evaluate one's own organization against the overall standard. It also provides in-depth segmentation to participating associations as to the perception of their brand, products and value proposition as viewed from further afield in Asia, the Middle East, Africa, Latin America and Europe.

The 2013 Index has been compiled based on data gathered from the international members and engaged customers of US-based scientific and engineering associations that are members of CESSE. Over the course of several months, data was collected and analyzed from 6,000 respondents answering up to 24 detailed questions about their engagement with a US-based engineering or scientific association. Questions were designed to highlight the differences of opinions between customers and members, as well as between those who were actively buying products and services, versus those who had not recently purchased any products and services. Additionally, for members only, questions were focused on the overall membership value proposition and its benefits.

The Index provides US-headquartered associations with a solid benchmark of what international members and customers from outside North America are seeking from their engagement with US-based associations; how they perceive value; whether they understand the full potential offered by the association; and what opportunities exist for associations to enhance their efforts. As more associations seek to become internationally proactive, and create strategies and localization efforts that will help them achieve the largest market penetration, the Global Satisfaction Index (GSI) offers a solid point of reference.

If you would like to benchmark your association against the findings of the GSI, please contact Theresa DeConinck at Theresa.DeConinck@mci-group.com or call 202-251-4916.

Key FINDINGS

The Index reports that the combined international customer and member community outside the USA rate their overall satisfaction with US-based associations at 68 index points (Figure 1). While this is not a negative rating, it is also not a reason for associations to become complacent: by market research standards it really falls into just medium satisfaction. Such a result leaves plenty of room for improvement and specific actions to address.

What is more interesting and merits attention and far greater understanding is the fact that, when the overall satisfaction is segmented, we can see that customers' overall satisfaction is considerably higher than that of members: 74 versus 67 index points (Figure 2). Customers only interaction with the association is with regards to the specific products or programs that they consider to be relevant and worthwhile their investment (that is products, programs or services that they have purchased). Without the "burden" of a membership fee, and a traditional set of membership benefits (that may not carry relevance or value for markets outside the USA) this group is actually more satisfied.

> *What merits attention and far greater understanding, is the fact that customers' overall satisfaction is higher than that of members*

figure 1

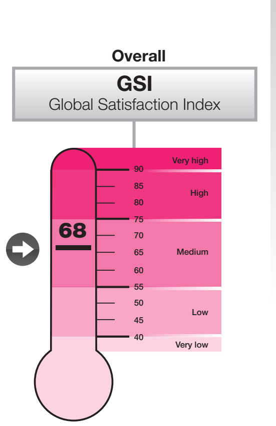
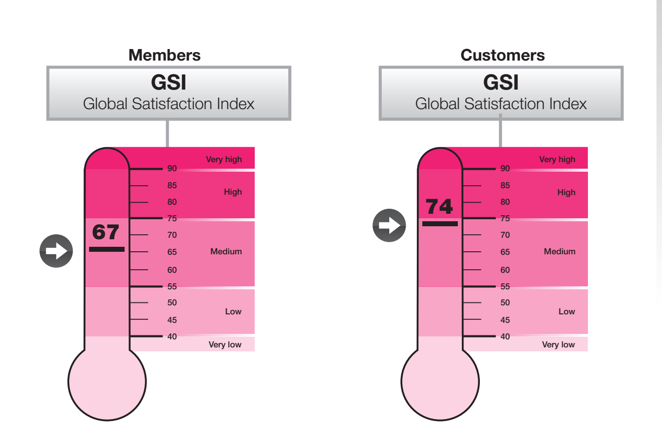
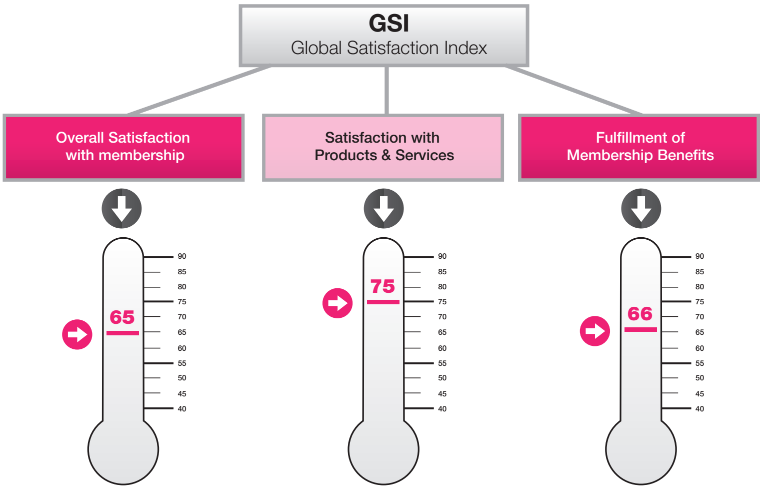


figure 2



When the results from the overall Index are further broken down, this gap between perception, satisfaction and ratings with regards to products and services versus the membership experience becomes even more apparent. Figure 3 indicates the comparative ratings for the three overarching buckets of the Index; the overall satisfaction with the membership experience and the fulfillment of membership benefits (rated by members only); and (in the middle) the overall satisfaction with products and services (rated by both members and customers). As can be seen from Figure 3, the satisfaction with products and services from both audience segments (members and customers combined) is the highest with 75 index points (considerably higher than membership experience (65 points) and fulfillment (66 points).

figure 3



> *Active engagement with products and services beyond the membership bundle stimulates greater overall appreciation of the association.*

Only members who have actually purchased products and services over the last eighteen months were accounted for under the product and services evaluation bucket (middle). The view of members who had not purchased anything beyond their membership package since January 2012 was not included in the product evaluation bucket – their feedback relates only to their overall satisfaction with membership and the fulfillment of membership benefits.

From this we can see that active engagement with products and services beyond the membership bundle stimulates greater overall appreciation of the association. For both the customer and member segments outside of the USA, the highest level of satisfaction lies with products and services.

From Figures 2 and 3, it is evident that the overall Global Satisfaction Index of 68 points is largely influenced by the opinion of customers, and the importance of products and services in the overall evaluation.

The construction of the Index allows participating associations – or those that wish to benchmark their own association – to gain valuable in-depth insights into a variety of their audience segments. Ratings and results are available by multiple demographics such as: age, gender, years' of membership, professional status, occupation and by region (Europe, Asia, Africa, South America and Oceania) or by country.

For example, the Index revealed a point of grave concern: members who are active in industry are considerably less satisfied (65 index points) than those who are professionally retired (80 index points). The fact that active professionals are less satisfied than those who have retired does not reflect positively on the perceived value of membership outside the USA.

The Index further highlighted that those who have been members for between two to five years - which also happens to be the largest member segment (close to one third) and therefore deserving specific attention – are the least satisfied; and that the greatest perception of value is seen from members in Africa followed by Latin America.

It is also interesting to note that the Index revealed that customer base is notably younger than the membership – 38% of customers are younger than forty, whereas only 29% of members fall into that age bracket. The Index reinforces the growing problem that many associations face – that of an aging population, with close to a half of the membership being aged fifty or more!

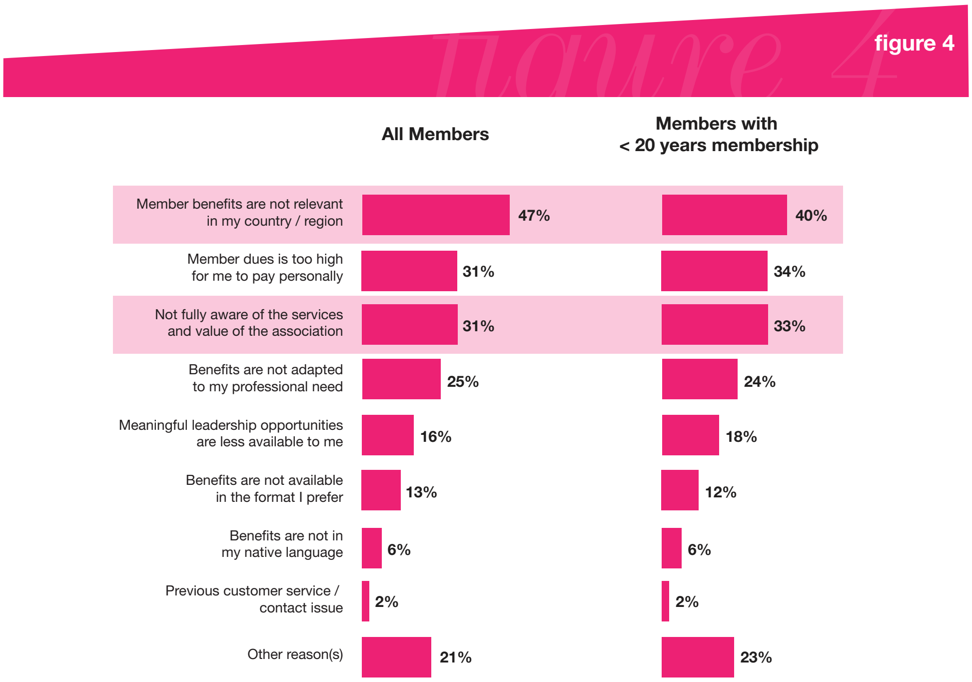
How do members perceive value and rate their overall *membership experience?*

When considering the overall value of membership, only 55% of members responding are 'very satisfied or extremely satisfied' with their member benefits. Regardless of the number of years they have been members, two of the principle reasons cited for dissatisfaction (Figure 4) are: that they do not consider the member benefits to be of relevance in their country or region; and, even more significant, the fact that they are not fully aware of the services and the value of the association.

The former reinforces the need for customization and localization. Services of benefit to members in the USA (for example lobbying Congress to drive regulatory changes or access to free webinars held in the US time zones only) do not necessarily translate into relevance or value in other countries.

The latter reveals a clear and simple opportunity for associations to improve value and return on investment (ROI) for members by enhancing and customizing local communications: this can include local language communications (e-mails, web pages, telephone calls), simplified messaging, and guiding members clearly through the process to access information (for example reducing the path to one click from a local language newsletter to access select online services).

> *"Associations need to improve value and ROI for international members by enhancing and customizing local communications"*



> *20% of the international community do not feel they are equally served*

Figure 4 shows a third reason for dissatisfaction: the cost of membership. As we noted in our Introduction, value is based on personal perceptions and local context. Customizing the member benefits package to be of relevance to the specific market also allows associations to adjust their membership dues to more locally acceptable prices.

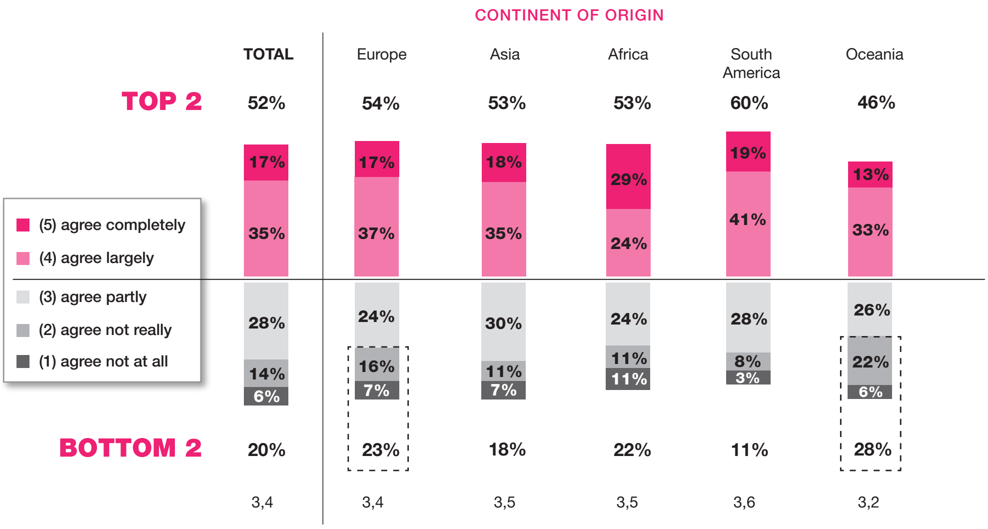
The Index further provides a benchmark as to geographical perception and the extent to which professionals outside of the USA feel that they are being served equally, and whether the value offered to them is commensurate with that of the domestic professional community. Overall just half of the Index population largely agrees that its interests are fairly and equally served, whilst a worrying average of 20% do not share this opinion at all (Figure 5). Add to this those who “partly agree”, and there is evidence for associations to make improvements, signaling a need to respond and act, such that the perceived lack of inequality and relevance be removed (see also Figure 8 for further insights regarding member benefits).

The regional variation speaks volumes and provides associations with important insights. Respondents in South America are the most optimistic, whilst those in Australia and New Zealand, followed by Europe, are the most negatively outspoken. Associations who have experience working with professionals around the globe will not be surprised by this phenomenon. Some considerations that likely influence these variations include:

figure 5

To what extent do you agree?

"[Association] serves its non-US members and customers equally to its US members and customers."



South Americans share the same time zone and can more easily participate in virtual or online activities as well as have voice contact with HQ and customer service staff - language permitting. They are very open to learning from their "northern" counterparts and embrace US standards, certifications and renowned speakers and trainers. This is certainly true of professionals and companies in Asia, the Middle East and Africa too – where learning from the West is regarded as a fast track to advancing individual or corporate competiveness. Less enthusiastic perception of equality is more than likely due to distance, a shortage of programs being held in their region (an attractive and meaningful alternative to the time and cost of travel to the USA as a necessary element of participation in an Annual Meeting), and pricing.

Another consideration is cultural: Asians typically do not speak their mind openly so are less likely to overtly state that they do not agree, whereas Europeans will be vocal. The fact that Europeans and those from Oceania are the most negatively outspoken is likely indicative of the choices at their disposition – they have mature and sophisticated associations in their own region who provide for their professional needs.

> *"Less enthusiastic perception of equality is likely due to distance, a shortage of programs being held in their region, and pricing."*

What are the products and services *that resonate most?*

Knowing that the professional community outside the USA rates the importance and relevance of products and services more positively than the overall experience of membership, it is critical for associations to understand which products are amongst those that resonate the most, and why?

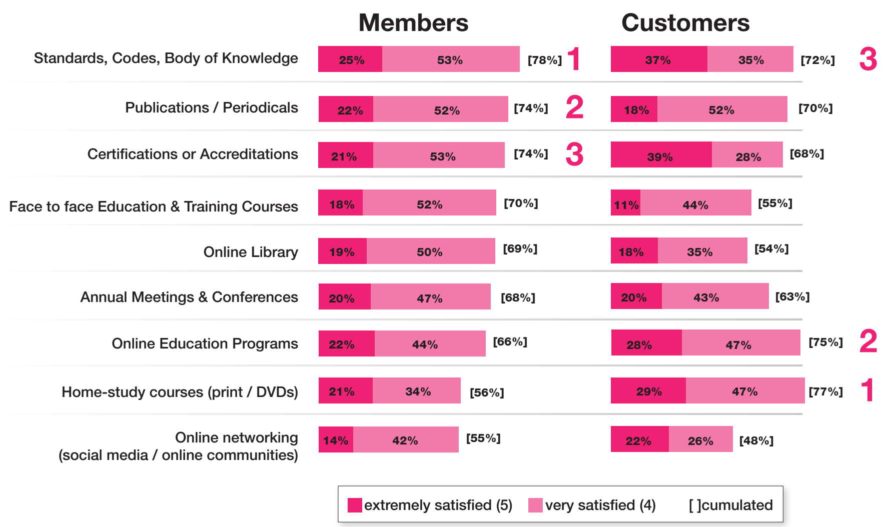
Given the reputation and technical standing of CESSE member associations, it is probably of no surprise that members indicate their greatest satisfaction with codes, standards and the overall Body of Knowledge (78%), followed closely by the technical publications and periodicals (74%).

Members rate online learning and interaction with less enthusiasm: home-study courses and online networking ranked lowest with just 56%, 55% respectively of "extremely or very satisfied" votes (Figure 6).

"Tangible products and programs provide the greatest value and ROI"

figure 6

How satisfied are you with the following products and services?



Conversely, when customers rate their satisfaction with products and services home-study courses and online education programs rank highest with satisfaction levels of 77% and 75% respectively (with codes and standards coming in third place only). These results may be influenced by the average age of the member segment versus the customer group - half of the members who responded to the GSI were aged fifty or above, whilst customers were largely younger (only one third were over fifty). However customer satisfaction with online education is a reflection on how younger people like to be educated and underlines the need for diverse solutions for different audiences and demographics.

Another reason for this discrepancy might lie in the fact that associations often do not have access to (or a first-hand relationship) with customers who purchase codes and standards or publications, relying very often on third party distributors for the sales of these products. Hence these important customers are often not part of an association's database and were therefore not able to be consulted in the process of gathering data for the GSI, thus their views are not reflected in the results.

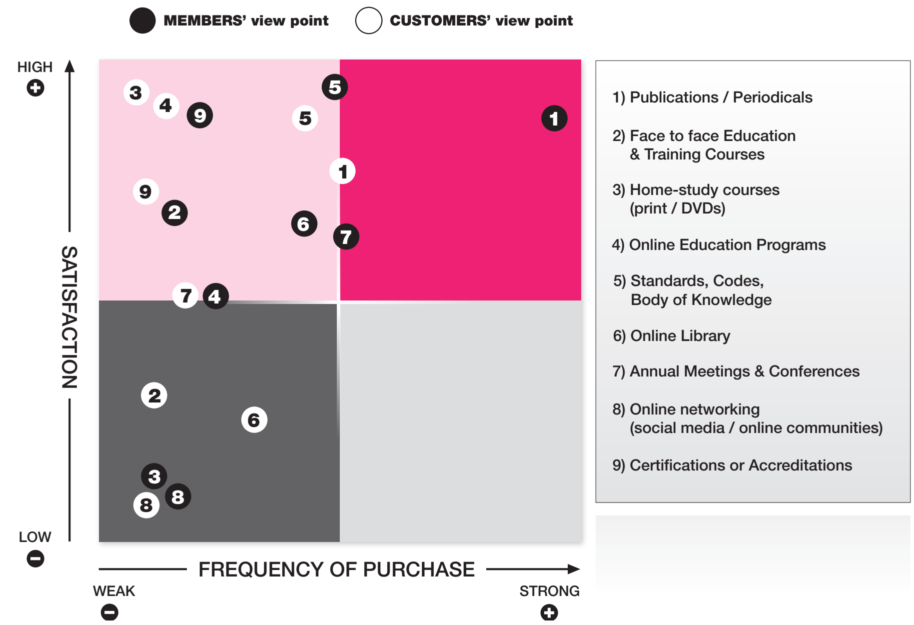
Regardless of age, neither members nor customers are overly enthusiastic about the online networking experience or online communities offered by associations. The low rating of social media is most likely attributed to the type of platform the association is using for social engagement.

Given that the GSI focused on the international community who depend in many cases for distant (online) interaction with the association, and have few opportunities for face to face (offline) networking, the fact that the online experience provides the least satisfaction is significant. We know this is an area where many associations are in the midst of making substantial investment and change, so as to allow for a more intuitive and much more customized (personalized) engagement experience for end users. It is to be hoped that the next edition of the Index will show a substantial shift towards greater satisfaction in the domain of virtual engagement.

The Index establishes not only the satisfaction related to principle products and services but also a view on those which have most frequently been purchased since the beginning of 2012. In overlaying these two perspectives into a master GSI matrix and driver analysis (Figure 7) we are able to see which products are the stars: those with the greatest strengths, high satisfaction and high frequency of purchase, to be conserved and maintained at all costs and to be broadly communicated (dark pink, top right quadrant). As far as members are concerned, associations' publications and technical periodicals are those star products (black 1). We are also able to contrast the view of members versus that of customers (white 1). We can see that publications and periodicals do not achieve quite the same level of stardom from the customers' perspective.

> *“More intuitive and customized virtual engagement experiences for end users should increase overall satisfaction in the near future”*

figure 7



Similarly, the products and services in the pale pink quadrant show great opportunity for associations – these products and services achieve high levels of satisfaction for those that invest in them. However, greater purchase should be promoted (either through more effective communications to explain the value, or providing more of these services to allow for more frequent consumption). For example, providing more local face to face education and training courses in key international markets would be a wise strategy for associations: members indicate their reasonably high level of satisfaction with these programs but low frequency of purchase (black 2), most likely because they do not have the opportunity to participate in face to face education and training programs that are offered in the United States only (involving high travel costs and time commitments). If an association were to provide more local in-market programs satisfaction would remain high and frequency of purchase would likely increase, such that face to face education would join publications as a star in the top right, dark pink quadrant! Such action could also result in customers prevailing more of this service (white 2) thus increasing both their satisfaction and frequency of purchase!

"Providing more local face to face education and training courses in key international markets would be a wise strategy for associations"

We noted earlier the high level of customer satisfaction with regards to home study courses and online education (as shown in Figure 6), but the GSI matrix (figure 7) shows the important information that frequency of purchase is low. This could indicate two possible scenarios: members and customers do not know much about these services, they are not sufficiently marketed (thus presenting an opportunity for associations); or the learning preference of the majority of the respondents is not yet sufficiently oriented towards online learning (meaning greater investment from an association to promote and provide more of these services may not yet bring the desired return). Our experience working with professionals in multiple industries and in multiple countries (be it in Europe, the Middle East, Asia or Latin America) reinforces the fact that online learning and self-study are not yet the preferred formats when the product provided is not in the professional's mother tongue. Face to face interaction is preferred to allow for ease and efficiency of comprehension.

The market desire, and opportunity therefore, for associations to do more with face to face learning and education, as shown by Figure 7, is further underlined in the Index by responses to the question “how likely are you to attend a meeting or conference in the next 12 months?” The Index reported that 33% of members and 17% of customers responded “definitely or very probably”. When those who responded ‘probably or definitely not’ were asked “if they were allowed to travel” the majority responded with a positive “yes”. It can be concluded therefore that if US-based associations were to produce more local or regional opportunities for face to face training courses, meetings or conferences in key international markets they would likely meet with great success and fulfill market demand.

What is the perception of the *membership promise?*

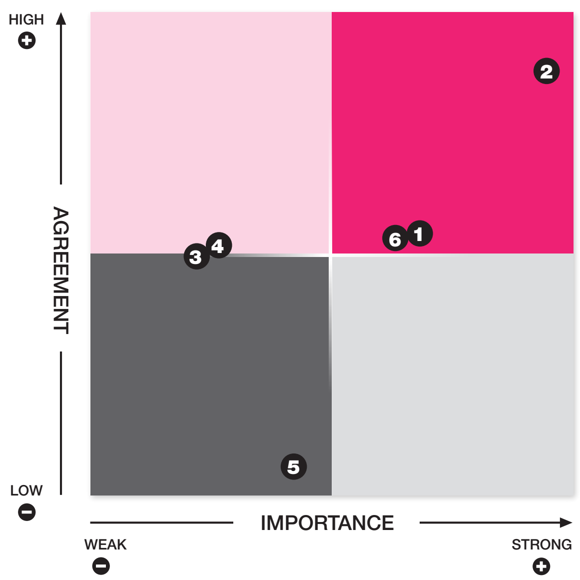
Of great importance, the GSI provides insights for US-based associations with regards to the membership promise: do the values and benefits as perceived in the US translate successfully into other cultures and what is considered most important, or most resonates with international members?

Applying the GSI matrix and driver analysis to the typical messages attached to the membership value proposition we assess both the international members’ appreciation and validation of what is often communicated (Figure 8).

> *Some of the traditional promises associated with member benefits do not resonate with members around the globe*

figure 8

Members’ evaluation of association-related benefits



1) …provides me the education that I need to advance in my field/job.

2) …provides me the opportunities that I need to stay current in my field/job.

3) …provides me the opportunity to share my research with others in my field.

4) …allows me to collaborate with my peers on new standards, codes, practices in my field.

5) …allows me the ability to be part of the leadership of the organization.

6) …allows me to give back to my field.

From this we can see that messaging associated with keeping members informed such that they are armed to perform well in their daily professional life resonates extremely well (value proposition 2) - members stress both their strong agreement and high value of importance in this regard. This value proposition is meaningful and one that associations should continue to communicate.

Conversely, all that goes with volunteering, such that a member can eventually become a leader within the organization (value proposition 5), carries little weight and does not "translate" favorably overseas. US associations need to recognize that the spirit of volunteerism (in professional and trade bodies) is an alien concept in many cultures outside the USA and does not carry the value attributed to it in the US market. Furthermore, many US-headquartered associations continue to exclude non North American members from legal participation in the governance structure of their organization (notably the Board of Directors), therefore rendering it impossible for an international member to become part of the leadership, unless there is a national chapter.

These GSI matrices (Figures 7 and 8) provide additional critical information to US-based associations. In Figure 8 we see that members stress the high importance of accessing the education they need to advance their careers (value proposition 1) but their validation (agreement) of the fact that membership provides this is not as high as it should be. You would hope that value proposition 1 would be as highly valued as value proposition 2. When you add to this the results of Figure 7 which shows that face to face training, certification and annual meetings are not very frequently purchased (neither by members nor customers) although they are in most cases quite satisfied if they can prevail of these products and programs, associations can see the need to increase their local relevance by providing greater access to these highly valued products and programs.

How to enhance relevance to your *international community?*

“*More locally relevant and accessible programs will enhance ROI for the international community*”

In summary, the Global Satisfaction Index provides US associations with an in depth overview of the international community's view of their brand and value proposition against which they can benchmark their own organization. It reveals critical insights as to how to become more locally relevant and deliver higher ROI to their international members and customers located outside of the USA.

The GSI underlines the importance of tangible benefits, products and programs that provide measurable results and help individuals and institutions become more productive and competitive, and that more of these benefits, products and programs must be customized and delivered to the international community in their local markets (regions or countries). It underlines that many of the traditional promises associated with member benefits do not resonate with members around the globe and stresses the need for enhanced communication to international audiences that clearly articulate local relevance. Not only communication but customization of benefits and programs such that they these deliver value and relevance to the member, customer or employer, and in their part of the world.

Participating associations or those that wish to benchmark their own organization against the findings of the GSI will benefit from detailed insights into a variety of audience segments and multiple demographics, as well as a clear view of the international community's perspectives by region (Europe, Asia, Africa, South America and Oceania) or by country.

About MCI

MCI provides organizations with strategic services and managed solutions based on 25 years of experience in successfully helping trade and professional associations, federations, healthcare societies and technology user groups grow globally and enhance their performance.

MCI association professionals and consultants draw from a global pool of expertise. Our local teams understand, design and deliver customized market development strategies and services that contribute to organizations' relevance and growth.

MCI is an independent global association, communications and event management company with 55 offices in 28 countries.

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For further information and to benchmark your association against the Global Satisfaction Index contact:

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