



## Relaunching Your Membership Program

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# Membership/Annual Giving Structure

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Three annual membership programs:

## General Membership (\$55-\$2,499)

- \$55 Out of New England
- \$75 Individual
- \$100 Dual/Family
- \$170 Associate
- \$175 Family Plus
- \$350 Universal
- \$750 Supporting
- \$1,000 Sustaining

## Patron Program (\$2,500+)

- \$2,500 Member
- \$5,000 Fellow
- \$10,000 Sponsor
- \$25,000 Director's Circle
- \$50,000+ Chairman's Circle

## Museum Council (Young Supporters, 21-45)

- \$250 Associate
- \$500 Member
- \$1,000 Fellow
- \$2,500+ Patron

# Why New Levels and Benefits?

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## **Align benefits and value**

- Create value through benefits that improve satisfaction, increase interactions with the MFA, and ultimately improve retention
- Create a more attractive entry point to increase new memberships and improve retention at the lowest levels
- Increase focus on the Museum overall and balance out the influence of special exhibitions and tickets on acquisition and retention

## **Create meaningful separation between levels**

- Reduce the number of membership levels to simplify the customer's decision process
- Increase the volume of membership upgrades through meaningful value-steps
- Provide a better transition from general membership to the Patron Program

# Previous General Membership Levels and Benefits

## All Members Receive

- Members-only previews to major exhibitions

- 15% discount at Museum dining venues
- 10% discount on Museum Shop purchases
- Discounts on parking, lectures, courses, concerts, and films

- One year of unlimited general admission for two
- Two timed tickets to each special exhibition for one year

### Individual (\$75)

- One year of unlimited general admission for one
- Two timed tickets to each special exhibition for one year

### Dual/Family (\$100)

- One year of unlimited general admission for two
- Four timed tickets to each special exhibition for one year

### Associate (\$170)

- One year of unlimited general admission for two
- Six timed tickets to each special exhibition for one year
- Invitations to exhibition opening receptions

### Family Plus (\$175)

- One year of unlimited general admission for four
- Six timed tickets to each special exhibition for one year
- Invitations to exhibition opening receptions
- Invitations to special family programs and educational materials for children under twelve

### Universal (\$350)

- One year of unlimited general admission for four
- Six timed tickets to each special exhibition for one year
- Invitations to exhibition opening receptions
- Invitations to special family programs and educational materials for children under twelve
- Reciprocal membership benefits at twenty-three major art museums

### Supporter (\$750)

- One year of unlimited general admission for four
- Six timed tickets to each special exhibition for one year
- Invitations to exhibition opening receptions
- Invitations to special family programs and educational materials for children under twelve
- Reciprocal membership benefits at twenty-three major art museums
- Special programs with curatorial staff to learn more about the Museum's collections

### Sustainer (\$1,000)

- One year of unlimited general admission for four
- Six timed tickets to each special exhibition for one year
- Invitations to exhibition opening receptions
- Invitations to special family programs and educational materials for children under twelve
- Reciprocal membership benefits at twenty-three major art museums
- Special programs with curatorial staff to learn more about the Museum's collections
- MFA catalogue for your home or office

# Market Research Objectives

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Assess the potential impact of changes to membership levels and pricing

Determine the combination of membership tiers and benefits that best distinguishes them without jeopardizing engagement of current members

Identify benefits and pricing that best stimulates upgrades within various membership levels

# Research Methodology

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Focus groups and in-depth interviews were conducted, followed by an online survey (participants were invited by both e-mail and postcard)

Choice-based conjoint methodology was used in the online survey, in which members selected packages and placed value on the corresponding benefits

A Market Simulator was developed to produce a performance ranking of the various real and hypothetical membership levels (and benefits)

The Market Simulator allowed us to adjust specific elements—benefits at various levels, number of membership levels—as if these were introduced in the real marketplace

Concept testing was done to substantiate survey and Market Simulator results and ensure member retention would not be compromised

# Benefits Tested

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- Unlimited free admission
- Admission guest passes
- Complimentary tickets to timed, ticketed exhibitions
- Advanced ticket privileges
- Reciprocal benefits
- Complimentary audio guides
- Parking discounts
- Complimentary parking passes
- Family-friendly events
- Invitations to members-only evening events
- Special programs with curatorial staff

# Research Findings – Conjoint Utility Summary

	Lower Tier (\$100 and below)	Middle Tier (\$101-\$349)	Upper Tier (\$350-\$1,000)
<b>Reciprocal Membership</b>	\$34 - \$40	\$60	N/A
<b>Guest Passes</b>	\$10 - \$18 # inconsequential - 2 or 4	\$6 per incremental pair	\$80 for 1st pair
<b>Audio Guides</b>	\$10 to \$18	\$16 for 1st four	\$70 for 1st pair
<b>Evening Event Tickets</b>	\$10 to \$18	\$18 for 1st pair	N/A
<b>Admission</b>	No incremental value for 4 over 2	N/A	N/A
<b>Family Program Invitations</b>	No incremental value	N/A	N/A
<b>Timed Tickets</b>	\$8 for 2 additional tickets	\$3	\$45 for 3rd pair
<b>Untimed Tickets</b>	N/A	\$40 per pair	\$120 per pair
<b>Parking Passes</b>	N/A	\$27 per pair	\$120 for 1st pair



# Research Findings – Additional Points of Interest

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Members are often heavily entrenched in the price point they are currently paying

The number of free admissions is a key factor in deciding to purchase, but more tickets do not always guarantee a higher likelihood to buy

- Members might value a scenario with more tickets at a higher level, but they are unlikely to purchase it because they do not need admission for that many people

Aside from admission, reciprocal benefits serve as a “tipping point” to upgrade to the next level

- Additional benefits (evening events, audio guides, etc.) are not compelling enough for upgrading, particularly when reciprocal benefits are provided in other scenarios

Higher membership levels more heavily value the tax deductibility of membership

# Research Results

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## Top Benefits

- General admission
- Complimentary tickets
- Guest passes
- Reciprocity with other museums
- Free parking (for middle and upper tier)

## Recommendations

- Streamline current general membership program from eight levels to five
- Adjust benefits to align with values as expressed in the survey
- Adjust prices to reflect values received
- Rebrand membership levels for better positioning

# New General Membership Levels and Benefits

## All Members Receive

- Members-only exhibition previews, events, and family programs

### Supporter (\$75-\$109)

- Admission for one adult and children 17 and under
- One single-use guest pass

### Contributor (\$110-\$249)

- Admission for two adults and children 17 and under
- Two single-use guest passes

### Ambassador (\$250-\$749)

- Admission for two adults and children 17 and under
- Four single-use guest passes
- Reciprocal admission benefits at 23 major art museums
- Opportunity to attend select exhibition openings, for an additional cost

### Sustainer (\$750-\$1,499)

- Admission for four adults and children 17 and under
- Six single-use guest passes
- Reciprocal admission benefits at 23 major art museums
- Opportunity to attend select exhibition openings, at no additional cost
- Complimentary multimedia guides for member and guests

### Leader (\$1,500-\$2,999)

- Admission for four adults and children 17 and under
- Eight single-use guest passes, mailed to member
- Reciprocal admission benefits at 23 major art museums
- Opportunity to attend select exhibition openings, at no additional cost
- Complimentary multimedia guides for member and guests
- Opportunity to attend a private tour with Patron Program members
- Invitation to preview The Museum School Art Sale, with the SMFA's Medici Group

# Results to Date

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## **New levels launched on July 1, 2010, have:**

- Reduced the overall number of general membership levels, streamlining the program and creating meaningful distinctions between levels
- Reinforced the philanthropic aspect of membership through new level names and price ranges instead of fixed amounts
- Maximized revenue potential by using ranges to upgrade members within their current level and allow members at former price points to continue their support
- Created a logical continuum from general membership to the Patron Program

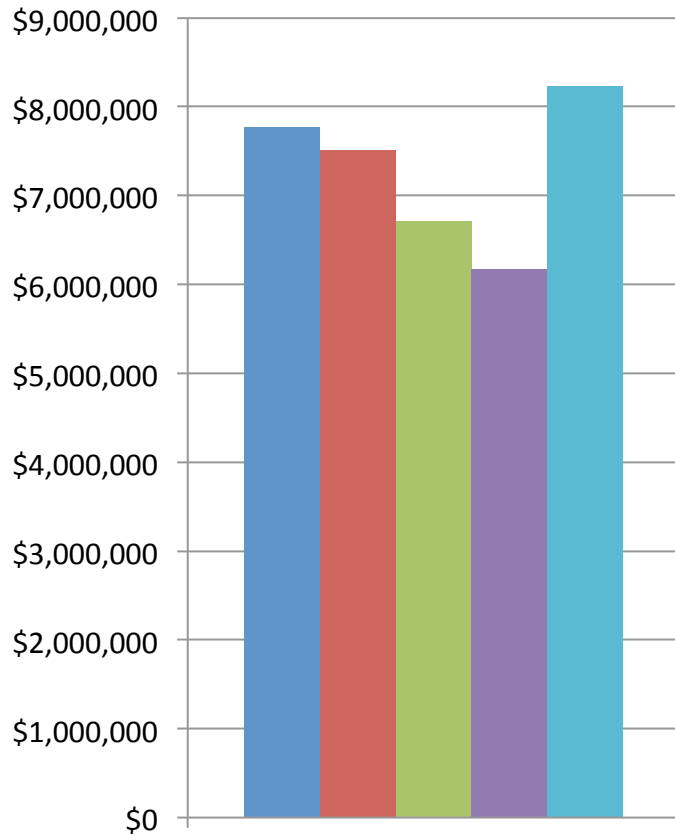
## **Thus far:**

- Renewal rates are up across all segments
- Average gift for a renewing member is currently \$120 vs. \$113 in FY10
- For FY11, we had 7.32% of members paying above the minimum price for their membership, generating \$302,248 in additional revenue

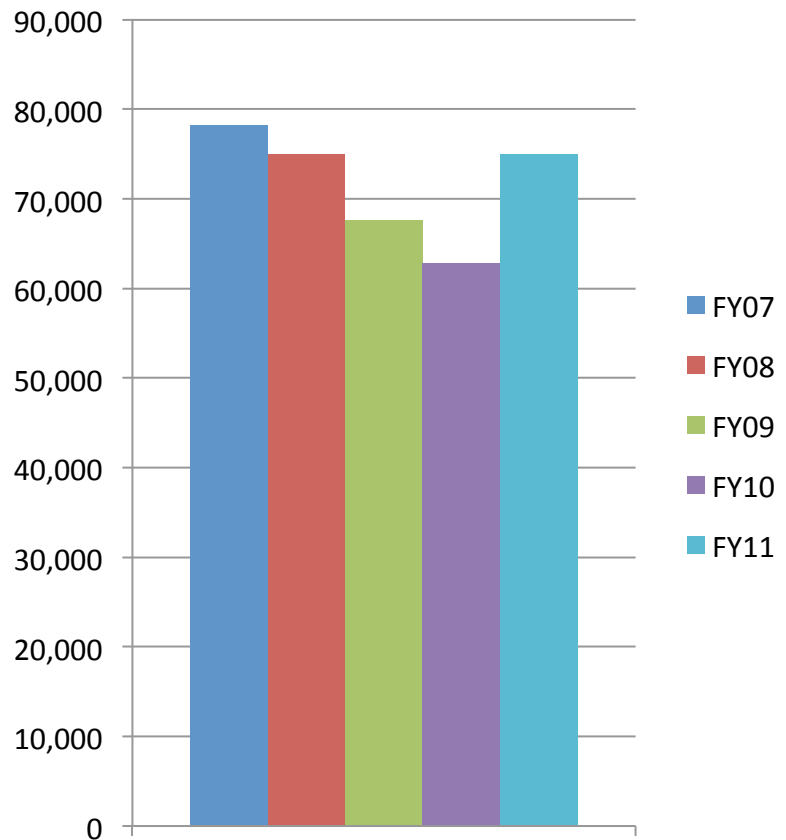
# Five Year Membership Comparison

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## Membership Revenue



## Membership Households



# Lessons Learned

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**Include a free response question.** Trends and nuances stood out in our members' comments allowing us to better prepare and manage this transition. For example:

- Many members asked whether children were included in these new levels. Children 17 and under are admitted free at the MFA, but we took care to include this in the benefits listing.

**Be sure to clarify proposed benefits.** We tested “reciprocal membership benefits,” but neglected to identify the included institutions in the conjoint survey, leaving the results open to interpretation.

**Test your assumptions.** We thought eliminating an “individual” type membership in favor of an entry-level membership with admission for two would be well received. It was not.

**Concept test your market research results and build a financial model,** if you are considering revamping your program categories and benefits.

**Expect to have a vocal audience in your constituency** when taking benefits away, even rarely used ones.

**Most people do not read,** so don't fear over-communicating to your members when changing levels, benefits, and pricing.



BOSTON