The Membership Economy with Robbie Kellman Baxter

"That's really the secret to membership: Being focused on the mission but being willing to change how you do it."

Author Robbie Kellman Baxter rocked the membership world when she first released "The Membership Economy" in 2015. The book, which outlined the value and best practices of membership organizations in both the for-profit and nonprofit worlds, helped apply some terminology and identified leadership in a space that had long been dominated by associations but recently entered by start-ups and tech companies.

Soon after the book's release, Baxter joined Sidecar to produce a webinar that now exists in The Lab as a standalone course. Here, we offer a full transcript of Baxter's webinar.

Robbie Kellman Baxter: The membership economy is something that I have been working on for the last 15 years both on the nonprofit side and the for-profit side. I like to always start by asking people to think about what you're a member of. In thinking about this, I encourage you to think about cards. Are you a card-carrying member of something? Do you have passwords for things? And do you see things pop up on your bill on a regular — either monthly or annual — basis?

There are so many different organizations that are applying membership models to their businesses. Here's just a few of them: Caesars Entertainment has a loyalty program, LinkedIn with their program for helping people's careers from the beginning until retirement, AirBnb, AARP, CrossFit. I mean, the list goes on and on.

Once you start thinking about organizations that you've joined, the list is crazy.

My favorite example has always been Netflix. The reason is that I fell in love with Netflix. I'm a consultant who happens to have written a book, and I have many, many years advising organizations on their business strategies, and I worked with Netflix about 15 years ago, and I had already fallen in love with their business model as a consumer. I loved three out at a time. I loved always having movies at home so that I could watch something whenever I wanted, and I loved the cost certainty with no late fees. But when I joined them to help them with their business model, I really fell in love with the structure and how they think about their relationship with their customer, because they were doing something very different.

They were focusing not on the product they were delivering, which at the time was DVDs through the mail, they were focusing on the mission, and that mission was ... high-quality, professionally created video content delivered in the most efficient way possible with cost certainty.

So, 15 years ago, that was DVDs. Ten years ago, that was streaming, and now it's creating their own content. So they focus on the mission of the member, which is the high quality video, professionally created video content delivered with cost certainty in the most efficient way possible, but how they do that changes over time, and that's really the secret to membership: Being focused on the mission but being willing to change how you do it.

Let's just take a minute and define the membership economy.

The membership economy is a massive transformational trend that is affecting for-profit, nonprofit, large, small, long-time industries and digital natives. It's usually defined by four main trends that I've seen. Not all of this applies to every organization, but these are the ones that can be really helpful. It's about a move from ownership to access, from a one-time payment to recurring payments, from an anonymous transactional relationship to a known relationship where you actually have an ongoing connection with the people you serve, and finally it's about moving from one-way communication where the organization pushes content out to their members, to one where not only do the members of the community get to give feedback, but actually they get to communicate among themselves under the umbrella of the organization.

Now, a lot of these things are things that associations have been doing for a long time, but what's really interesting to note is that businesses are applying these principles and reinventing business models in ways that take mindshare and attention of those consumers and build relationships with them. So these are the four all at once, and really are at the core of many of these transformations.

Now, membership economy — it's not really a new concept. We've had membership since the Middle Ages with everything from professional guilds, to Charles Dickens writing his books using a subscription model, to country clubs. But what is happening now that is really making this so popular?

I would say there's really two things. The first one is technology is extending infrastructure, which enables trusted relationships. You no longer have to see someone face-to-face to build a trusted relationship. Things like always being on mobile devices, the ability to store and distribute content at very low costs, the ability to analyze behavioral data, the rise of big data that's able to be collected and analyzed so that you can really understand your members, even if you've never met them.

The second thing, which is sort of related, is that there's a tremendous amount of capital being invested in new businesses, and those new businesses do not have to make money in the first few years. So they're actually being given the opportunity to really explore membership and community elements in their business models without having to pay for them right away.

All of that is transforming all kinds of businesses and all these new models are emerging.

It's easy to understand why business loves membership economy models and why they love recurring revenue. That's the golden goose. That's the Holy Grail for business, but what's really important is to be at the intersection, not just at what's in it for us, but also what's in it for the customers. Why are customers turning into members and seeking the benefits of membership that have traditionally been provided by associations, nonprofits, a very limited group of organizational types to really having those same relationships with for-profit corporations? You have to think about what's in it for the members, that they really care as well. So you need to be kind of right at that sweet spot.

To understand why people join, I like to go back to Maslow's Hierarchy of Needs. He was the psychologist in the 1940s who came up with this idea that once our basic physiological needs have been met, we want to mitigate risk, we want to be secure and safe. We want to belong, we want to be recognized, we want to have that “Cheers” bar experience where we walk into a room and everybody recognizes us and knows something about us and is glad to see us. We want to move on a step further, we want to be held in high regard by those people who recognize us. We want to be held in high regard both for our achievements, that is, “I'm the best at something, I've done the most of something, I've won something,” but also for our contributions, you've helped other people. Then, finally, we all are striving for self-actualization, which is basically the idea that we want to reach our full potential, and organizations that can tap into these needs are going to have greater stickiness and greater loyalty because what they're helping with is something that is so core to our ability to be happy.

When I think about the membership economy, there were six categories of membership businesses that I commented on: There were the digital natives, which are online communities and online models; there were mainstream businesses like American Express and T-Mobile that have always used membership. I put Netflix there because it's been around a pretty long time. There were nonprofits, professional societies and trade associations. There were small business owners, small mom-and-pop businesses as well as consultancies and professional services providers, and there were organizations with loyalty programs, so mostly hospitality and retail. But I've added a seventh, which is consumer products. So for those of you who are Amazon subscribers who have participated with Prime, “Subscribe and Save,” things like that. Also people that subscribe to subscription boxes.

There is a lot of movement toward everything being delivered on an ongoing basis to solve your problem, not just provide you with the specific item or service you need in the moment.

What is interesting to think about is, if you're a traditional membership organization, all of these companies in all of these categories are trying to win mindshare of consumers. When you're competing to sell something to somebody, you're not just competing against other similar products, you're competing with everything they're spending money on. So, when I'm trying to decide if I want to buy a fancy new car, I might be thinking about buying a different kind of car, and I also might think about buying a cheaper car and going on vacation with my family. So in that same way, you're competing for share of mind, if somebody is spending all their time connecting with people on LinkedIn, it's going to be harder for them to spend time with your organization. If people are spending all their time writing reviews of Amazon and getting positive feedback for the excellent writing and becoming Vine reviewers, which means they get free stuff and lots of attention, they're not going to have time to volunteer in a nonprofit.

It's just important to recognize that a big part of this movement is that people are getting invited to these membership experiences and these abilities to be part of a group, to be recognized for their achievements and so on from organizations that historically weren't able to do this. There is a lot of disruption going on.

In the membership economy, the transaction becomes the starting line. In other words, historically when organizations were thinking about their marketing funnel, they were thinking about building awareness. “Everybody who could possibly be my customer knows about me.” Then, I get them to try and have an experience with my organization, or my products, or my services, and then they buy, and then I'm done. Maybe I try to upsell them, try to get them back, put them back in the funnel, maybe the funnel moves a little more quickly the next time.

In a membership economy, that's the starting line though, because once they join, your hope is that they're going to stay forever, right? You're going to have a forever transaction with them, and so you have to really focus on what happens after they join. What's the onboarding experience like? Why are they going to stay? What are they going to get? Why are they going to stay for a long time? Why aren't they going to cancel? And that's really where the energy of the organization needs to go, is what happens after that transaction.

This introduces this concept that I think is really the core of everything that we're talking about today, which is this idea of a forever transaction, which means that once somebody joins they stop being a consumer, they stop considering alternatives, they stop thinking about “do I want to stay a member?” and they don't even care as much about the specific features of your offer, which might be a combination of events, and online services, and maybe some physical products that you send to them, and instead they're saying whatever you give me to solve my problem and achieve my mission, I'm going to be engaged. I'm going to trust you to take care of that for me.

An example that I love is the AARP.

They really understand their forever transaction. The forever promise that AARP makes is to improve the lives of people in the United States over 50. Last year, I was meeting with some of their execs and they were about to launch this product, which is the RealPad. This is a tablet device for people over 50.

They discovered that a lot of their members were having trouble with tablet devices. Buttons weren't big enough, they were hard to see, sometimes complicated, so they actually created requirements and tried to shop it around to different manufacturers, and they got turned down everywhere. Nobody saw the opportunity as being important, so AARP built it themselves.

They hired a contract manufacturer and they built it. I asked them, I said, "Okay, what are you going to do if you go to market and this is a huge hit, and people over 50 love it and it starts selling really well, and a week later Amazon comes out with the Kindle for seniors, or if Apple comes out with a new version of an iPad. With all of their resources and all of their technology, how would that feel?"

And they said, "I would do a happy dance because I am not in the business of building hardware, I am in the business of helping to improve the quality of life of people over 50, so, having major manufacturers focusing on the needs of my group is in my interest. That is good news for me."

I think it's really important to understand this: You’ve got to stay agile enough that you don't love your product more than you love your people's mission, your member's mission.

Any one product, or any one service, or any particular process of how you do things, it's not going to be relevant forever, and so you have to stay agile.

Just like Netflix started with DVDs, moved to streaming, now moves to creating their own content. You've got to keep achieving the mission, and things in the external environment are going to change, and what is valuable is going to change. A lot of times organizations say, "Oh, our members, they're not willing to pay because they don't have money,” and really it's like, “he's just not that into you.”

It's not that they're not willing to commit to a membership, it's that they understand where the value is, and if the value is no longer in the products and services an organization has, they're going to look for alternatives.

Amazon is one of my favorite companies. Their name came from the large river in South America, which is the source of all life for people in that region. I love the name because that really foreshadows the mission of the company, which is to provide a life for all of us as consumers. They started with selling books, then they were a seller of everything, then they created an infrastructure for other retailers to sell all of their things, then they created hardware, which allowed them to sell digital products. They introduced Amazon Prime to take away the biggest barrier to doing business online, which was shipping costs. Then they used that as a Trojan Horse to introduce a bunch of other products and change our behaviors around how we consumed music, how we consumed books, and how we consumed video, actually giving Netflix a run for their money.

What's really important to notice here is how willing they have been to continue evolving their model to stay connected and relevant for their consumer. I don't know that they had this business of exactly these products in mind when they launched over 20 years ago, but I think they are really focused on what else can we do for our consumers to make it so easy for them to get everything they need as consumers.

I want to introduce a concept that I think will be really helpful to a lot of people listening, which is the idea of a super user. Super users are kind of the secret weapon for membership organizations. They're your members that go beyond just being great members and using your products and services in the way that you designed them and what you want, and moving in the direction of the organization.

The things that they want are aligned with the things that you want to provide and they fit your target demographic. That's a basic good customer, a good member. A super user is someone who goes beyond that and spends their own time and resources to improve your organization. These are people that are advocates for your business, they're ambassadors, bringing new people into your organization, they onboard new members. They're paving the way and making it easy for those new members to get to the point where they're getting good value as quickly as possible, and they also are really generous at giving feedback to the organization in focus groups, or as needed, ad hoc, they send stuff, they participate in forums, they'll do speeches for you, they'll be on your panels.

These are people who really identify with your organization, and there are certainly super users in transactional businesses as well but, again, membership, because it taps into this need to belong and be recognized, super users are much more powerful in the membership economy.

A couple of quick examples: This is my sister. We look the same from the front but not from the back, although I wish we did from the back. She's a CrossFitter. Her shirt says, "The sport of old broads kicking your ass has arrived." She is, in addition to going to CrossFit, which is a workout program, in addition to going three times a week, it's a membership workout program, and paying $190 a month, which is not cheap.

She also goes beyond just being a good member. When people don't show up, she calls to see where they are. When new members join, she helps to onboard them and show them the ropes, and invites them to her house, helps them get connected and build relationships with the rest of the group that meets every other day. On days when the box — that's what they call their gym — when the box is closed, she actually hosts a CrossFit driveway, where she and her husband put the equipment out in front of their house and invite all of the people that go to their gym so that they can get their workout.

She also writes a blog, and all of this is for somebody with two school-aged kids who works full-time. She makes time to help her CrossFit community because it is so meaningful to her. She doesn't get paid for it, she doesn't get a discount for it. She does it because this is her community. Harnessing the power of super users, you can see what value CrossFit gets from my sister's loyalty and commitment to them, and she would say she gets many more times the value from participating in this more active way.

Another example of super users on the B2B side, for those of you who are saying, "Yeah, that works great with consumers, but how do you do this when people are making purchases on behalf of a business and not on behalf of themselves?" These are Salesforce MVP sneakers and socks. You can't buy them, you can only earn them by being designated by Salesforce. You can earn them by being a super user. They call them MVPs, and they're people who demonstrate excellence in their willingness to support other members, provide feedback to Salesforce, and onboard new members.

Now, this is as dry as you can get. This is a software product for managing sales pipelines, and you would think people wouldn't identify with it, but for many of these people, this is their most important community because there might be only one Salesforce administrator in a company, so they don't really have a community at work, so this becomes their community. Achieving this level of status, I think there are less than 50 MVPs in Salesforce, it’s the highest level of recognition.

The price for this, in addition to this fabulous tag, they get the ability to speak at national and international events, they get the ability to talk to senior executives on the product team and give them their feedback, but really what they're getting, their reward is the privilege of being able to do more for the organization at a higher level. As I said, this is the most important group for many of the members, and they identify more closely with their Salesforce community that they see at Salesforce events and at their huge Dreamforce event every fall in San Francisco, more than the company where they work. That's the kind of loyalty that this product company has created, and it's almost like the Salesforce administrators have a professional association that meets at Dreamforce and at these other regional events, but you can see how the Salesforce community serves the same purpose as an association and builds tremendous loyalty and advocacy.

The last thing I really want to talk to you about is the seven steps of The Membership Economy.

Now, for those of you who've read the book, you've read that there's a chapter on each of these topics, and I'm going to go through these quickly. If you're trying to bring your organization into the membership economy it's very useful to look at each one of these seven steps and think about what your organization can be doing to really join the membership economy.

On the organization side, you want to look at your team: Do you have the right skills for a membership? Recently, I was working with a company that's very transactional. They don't build their products for membership, they build them on an annual cadence. They have to change that, the way that they do business, the kind of people that they have. In a membership economy, if the transaction is a starting line, you need to have onboarding professionals who can design the onboarding experience and support people through that.

You need customer success people. You need different metrics. Retention is equally important, if not more important than acquisition. You need to think about how to balance the needs of new members versus the members that have been there the longest and have the loudest voices. All of that is organizational.

The funnel is how people come into your organization, and what you really need to be doing there is thinking about, is there a product/market fit, which is really at the bottom of the funnel? That means for each new person who comes in, are they going to find the products and services that are going to deliver on the promise of the organization? The promise of the organization is to help someone succeed in their career, do you have what that person would expect if they're just joining, if they're just starting their career today with the technology that's available and with the environment that they are entering as professionals? In the funnel, you're always adjusting for that product/market fit and making sure that that really works before you're acquiring new members.

You want to think about pricing. You have a lot more levers than you used to in terms of tiers of membership, in terms of things that are transactional, that are one-off versus things that are included. You want to really look at that. You want to think about what you give away for free. Many organizations now, especially digital natives, have freemium models, meaning there is a version of the membership that you can get for free forever. So freemium means you get a free membership forever, even if you never upgrade. You can use freemium for a bunch of different reasons. One of them of course is some of the people who are free are eventually going to be paid. You can use it as an acquisition channel.

Another one is that there is a marketing channel. Some people might think, "I'm never going to pay, but I am going to refer people in." This happens with organizations like SurveyMonkey, where I send out a survey to you, maybe I'm not paying because I'm just using it for my book club, but you're a professional market researcher, and you say, "Wow, this is a great tool." I'm actually the marketing channel that brought you in.

Then there’s the network effect, meaning that there is more power in a larger group. With each new member that joins, there is greater value for the existing paying members. This can be true in something like Skype, let's say. Where if I have nobody else to talk to on Skype, it's worthless, but if all my friends are on Skype, then suddenly it's really valuable, same with LinkedIn. But it can also be valuable if you're serving as a voice for your community, you want to represent the largest possible group. So if you can come up with a way to bring everybody under your umbrella, your voice is going to be more powerful.

I've talked briefly about onboarding, which is the idea of choreographing the experience of people when they join. So what happens when they pay you? Is it easy? Is there any friction? How quickly did they get value from you? Did somebody call right away? Did they get stuff in the mail the next day? Did they get an email with a whole bunch of exciting information? Are you reinforcing their decision and showing them what value they're going to get? Most organizations underthink about the onboarding experience, and this is why people join and never fully engage in the products and services you have, and then a year later they cancel.

Onboarding is really important, and a lot of organizations confuse inertia with loyalty, and they're very different. When you're in a membership organization and you paid for the year and you never really fully engage, you might have it in the back of your mind like, as soon as I have time I'm going to cancel. The organization sees that they haven't canceled and think they're happy, which is why you need customer success.

Customer success flips support on its head, and instead of saying “we'll wait until people call to complain,” you proactively focus on how do we make sure that they're fully engaged and they're getting value from us? It means you're doing outbound calls to check in on people. It means you're tracking behavior and seeing are people coming to our events after they join? Are they downloading our materials? Are they calling in with questions? Because if they're not, the chances are pretty good that they're going to cancel within the year.

Technology is something that a lot of organizations say, "Robbie, you're talking about all these technology companies. All of your clients are really sophisticated and they use big technology software products. We don't have a lot of resources in our organization, we don't have a ton of money and we don't have a big tech team. What can we do?" And I would say that you have to be technology literate just like your people on your team have to be literate in terms of being able to read and write. It doesn't mean that everybody in your organization would consider themselves a professional reader or a professional writer, but they are proficient, and it's the same with technology. Everybody in the organization should be capable of creating requirements of what kinds of technologies they might need for their area of the organization. They should be able to go out and research them, show them the requirements, and evaluate options.

The rise of software as a service, which is basically the idea that you don't buy the software and load it in your building on your own server, which actually requires some technological sophistication, but instead you're signing an agreement and the software is being served to you through the cloud remotely, which means all you have to do is pay and then you have access, and you're configuring instead of customizing, which is much quicker and much easier. I would encourage you to expect your team to be able to always be looking at technologies and not thinking of it as a thing that happens once every five years by the people who have the word “technology” in their titles. This is an ongoing competency that everybody in the organization should be thinking about, just like writing.

At this point you're probably thinking okay, I've got to get real. I've got to think about this. What does all the stuff that we're talking about mean for my organization? When people say to me, "How do we get real? How do we make this part of our organization?" I always use this acronym: Research, experiment, adjust, launch.

It's all about incremental change. It's about continuous tinkering. You take something that we talked about, maybe it's onboarding, maybe it's gosh, could we do something with freemium? We've never really dug into that and thought about it. Or maybe it's, do we have the right metrics? If our goals are long-term formal relationships, do we have the right metrics for that? You research the area of interest and then come up with a few little experiments with a small group. Adjust it if it's not working, until you're happy with it, and then roll it out in a major launch.

I'd encourage you to be thinking about it like this, in these small, get real kinds of quick cycles. You could really pick from any of the areas that we've talked about. I encourage you, right now, to jot down one that you're most interested in, and think about what's something that you can do in the next 30 days.

So at this point I'm going to pause for questions.

Ariana Rehak: Do you think that this increased use of membership within the private sector poses a threat to our associations in a form of increased competition? And what are some examples of this value being chipped away?

Robbie Kellman Baxter: Yeah, absolutely. Here's the thing to think about: As a membership association, your whole business is around supporting this person in this role, and they pay a fee for that. But when you look at, for example, other for-profit companies that want to have the attention of the person that you serve, they might offer the same benefits for free. Here are some examples. With the CPA society, a lot of the major national accounting firms now offer free training programs for continuing education for their existing employees but also for alums, right? The reason is that they know that an in-house accountant is likely to hire a firm at some point, and so they're building that relationship. So for them, it's a marketing cost. For the CPA societies, it's their revenue generator having these courses, so there's competition there.

Another example would be any of the major healthcare companies. They do a lot of research, a lot of studies, a lot of state of the industry reports and give them away for free at conferences that they host. That competes directly with all the medical societies.

In the technology world, if you look at LinkedIn, it used to be that one of the biggest benefits of professional associations and professional societies and trade associations, it was the connection with other like-minded people, but no you can go to LinkedIn and do a search and in about five seconds you know all the people in your industry, and you can actually use online groups to communicate with them. You can invite them to your house if you wanted by posting something. It's much, much easier to find your people and you don't have to pay for it.

People's expectations of what they should be paying for are changing, and it's allowing a lot of organizations to offer things for free that fit into a more complex business model, which makes things harder and puts pressure on associations to continue hopefully to do what AARP is doing and saying, "I'm going to do a happy dance that I don't have to do continuing education anymore because it's being taken care of for my members, and instead I'm going to focus on the next major challenge my members face." That's really the right kind of attitude.

Ariana Rehak: Looking on the positive side of this private sector influence, what kind of lessons can we glean from them on how they've leveraged the membership model?

Robbie Kellman Baxter: Yeah. Well the most important thing, I think, is to look at how very small tech companies are putting out a very big footprint. On the one side, you can look at it as a downer that now we can do, for example, online education, and that for many people, regardless of cost, it's more convenient to do it online than to fly somewhere for three days. You can provide online education for a fraction of the cost of running a live class. You can build an online community where your members can stay connected with you and with each other at a fraction of the cost of hosting events across the country. You look at what LinkedIn is doing with the community. You look at Mightybell, which is a software platform for online communities, it's free. It's free. You could have an online community for no money. It may not be exactly what you need, but costs are declining so quickly that you can provide so many services that you still have a really high cost of goods sold, now you can do it almost for free. So that's great news. You can provide a lot more value to your members.

Ariana: So actually speaking of free, you talked about incorporating free as a tactic and not a strategy. What is your recommendation on the types of benefits associations can be offering for free to kind of reel people in?

Robbie Kellman Baxter: Yeah, absolutely. So here's an example that I think is kind of an interesting one to think about. You've got the American Geophysical Union, right? And these are all the world's Earth and space scientists. Their mission is to learn about and protect Earth and space. So, historically the way that they've done that is by supporting and having as members mostly professional scientists, right? People after they get their doctorate, people that work at universities and think tanks. It's tens of thousands of people, but there are so many more people on Earth who would like to support this cause. There are local groups, there's science teachers, there's activists. What if you could bring them all into the community in some way and they wouldn't have to pay, and you could have them, let's say, in an online community sharing ideas and questions, and the scientists could give them advice and feedback, or give them direction, so that they could extend their reach? What if they were able to create content that could be given away to teachers and the teachers could check in and see here's the latest discoveries that we can present to our kids so that our kids are more likely to grow up with an appreciation for our environment? That's one example.

Another way of thinking about it is, what can you offer for free to new members, right? Maybe everybody who graduates, who enters your field, they can all become members if they wanted in exchange for their email address and their contact information they get some benefits. Maybe those benefits are all digital, maybe they're invited to an event that's live once a year, but it brings them in and it also gives you leverage when you're lobbying.

So those were a couple of ideas, and it wouldn't have been possible if you said, "We're going to get everybody live to our location." Because that's expensive and the events have real costs, variable costs for each new member, but using digital resources, you can provide tremendous benefits at very low cost.

Ariana Rehak: So how do you recommend testing the value that we're offering our members? And what I mean by that is we offer certain benefits, how do you recommend evaluating each to determine if they are actually providing the value that we think they are?

Robbie Kellman Baxter: Such a good question. So the first thing is, are people using them, right? Are they hooked? I call that a hook. That means somebody, once they're in your organization, has things that they use that keep them coming back. I've got to keep paying because I count on them for this and that, right? That is a hook.

A trigger is what actually makes someone join, so that's the other way. Are your benefits compelling enough to get people to join? A lot of times I talk to organizations and they say, "New members, like people coming out of school, are not joining. They know about us because we are blanketing the schools and we do a lot of outreach, but they're not joining, and we're pretty sure it's because they don't have money." I would say what they're really saying is, I don't see the value for the money you're asking me for. So if that's the case, sometimes they're like, "Oh, I didn't know those were the benefits you offer." And it was a messaging problem, but if they say, "No, I understand the benefits you're providing and I am not willing to give you that share of wallet. I'd rather go out to dinner once a month with my friends." Because that's really what they're saying. Then your benefits aren't very good, and it's painful to hear that, but these are the most common problems:

Problem No. 1 is you're offering benefits that are now offered for free elsewhere. So it's not that they can't afford it, it's that they'd be stupid to buy them from you when they can get them for free somewhere else.

The second problem is when the really good, valuable benefits are optimized for people that have been in your organization for a long time. So for example, if you have an association of physicians and you're creating a lot of programming around how to run your practice, how to bring in new team members, and how to think about selling your business or succession planning, those might be really valuable for people that have been members for 40 years, but it's totally irrelevant for somebody who is graduating, who is 27 years old and has a mountain of debt. In those cases, your offerings just aren't relevant triggers to get people to join.

Ariana Rehak: So on the subject of messaging, what are some ways that associations can ensure that the content, delivery, and communication is kept consistent with positioning or branding signal through all touchpoints?

Robbie Kellman Baxter: I'm a marketer, so I think about this all the time. So the first thing I would say is you want to make sure that the issue you have is a messaging problem and not a product/market fit problem, right? A product/market fit problem means I understand what you're offering and I just don't want it. It's like somebody says, "I have red, white, and blue striped jeans for you to wear." And you're like, okay, I understand what that is, and even though I can afford it and $25 is not a lot for jeans, you couldn't pay me to wear them, right? That's a product/market fit.

A messaging fit is when you find out that if you go to the person who is your target buyer and you sit with them, and you explain it to them, you as the expert, as the executive director, or the head of marketing, you sit with a person and you explain it to them, they're like, "Oh, now that I understand it, I want it."

I call it the 45 minute airplane ride. Can you get your target buyer to buy it if you have 45 minutes to explain it to them and have your best explainer? And then you want to work your way backwards and say, "Okay, how do I do that message in a shorter way when I'm not there to give it verbally?" Then you say, "How do I adjust that message for the different channels where these people hang out?" Right? So you would create a list of the different places where those people hang out, and then you would take that message and deliver it and see, did they understand it? And you can test, right? Do they understand it? If they read my website, did they understand what we offer? If they see our video, do they understand what we offer? If they get a mailer, do they understand what we offer? So you test it that way, but you're really working your way backwards from that airplane conversation to what if I write it down, to what are the channels where I can deliver it?

Ariana Rehak: A lot of associations are beginning to offer online community platforms, which is something that you talk about in your book, for their members in order to communicate with each other. Do you have any advice on overseeing this process and cultivating the community, especially when a lot of members are so busy and don't necessarily have time to directly participate?

Robbie Kellman Baxter: Yeah. There's a couple of things. So one of them is that often the people who have the most time to participate and provide good value are not the same as the people that are most willing to pay for the good value that's being created by the community. So in other words, if I'm an executive director and I'm running an organization, I might not have time every day to make it part of my habit to go online and write stuff, but when I'm having a problem, I might on a Saturday morning go digging through the different threads and try to find some good information. I'm willing to pay for that. On the other hand, there might be more junior people or independent contractors, consultants, people who have a more flexible schedule and who are trying to build thought leadership and establish themselves as experts and smart people in general, that are willing to devote time to post content. So that's one thing that I would say, is to just recognize that there's different kinds of people. A lot of people try to make an exclusive online community and that almost never works because then there's not enough people to create the content.

The second thing is the experts in your organization really need to be very involved and post a lot of stuff to build the community, because if I go there and there's nothing new, I'll never go back. So that's really important, that my questions get answered really quickly and that new stuff is being posted and new questions provoke people. Then the third thing is to use back channels. So basically if you're running a site, a community, and somebody asks you a question in person, you say to them, "Can you post that on the website and then I'll answer it?" Which is a little bit inorganic, but it creates more content. It is a real question, you're just moving it from the physical world to the digital world and that encourages other people to post as well.

Ariana Rehak: So on a similar front, how do you recommend identifying the members who will be your super users?

Robbie Kellman Baxter: So a super user is those people that go beyond just being good members and actually are working on your behalf. You identify them by saying who are those people that are already going that? I bet everybody on this call probably knows who their super users are right now. They'll say, "Oh, it's Mike." Or, "Oh, it's Susan." What you want to do is tease apart what are the benefits that they're providing for you? Which are the ones you want to replicate? And then you work backwards and say, how did they come to be so involved, right? And you might say, oh well, first of all we could recognize them because the minute they joined they were asking a million questions. They were calling us, they were asking for help, and then converted into being helpful to others because they saw how much more valuable their membership was when they were more engaged. So you say okay, so we'll encourage people to ask more questions, or we will reach out to them and ask them if they have questions, because they'll engage more. You're basically seeing how they are on-boarded and trying to replicate that with everybody else.

Another example is a lot of organizations when you say, where did your super users come from, they'll say, "Oh, another member who was a super user tapped me and told me I needed to do this and that I would get great value out of it." That happens all the time in associations, where a senior or somebody on the board has a young person that they work with, or that they know and they say, "You need to join and you need to get on the board, and you need to speak on our panel, and you need to do this and that." And the person does it because their mentor told them to, and then they see all the benefit, and then they start doing more. Aa lot of times it comes through mentoring, but really it's about recognizing who they are, understanding the behaviors that got them there, and then replicating that in the onboarding experience.

Ariana Rehak: Let's say an association has the experience where suddenly their member base grows significantly. How do you recommend scaling member support and service level?

Robbie Kellman Baxter: Yeah, it can be really tricky, especially if you have a new organization and then suddenly people are joining. One of the really hard things is to extend the culture as you grow quickly, because you just don't have enough people, and the first people that join get this very special, very customized, very intimate experience where the staff really gets to know them and all of their problems are solved, and then when it's a bigger organization it's hard to replicate.

What I would say is No.1, be really clear on your culture, be real clear, this sounds so corny, but be really clear on your mission. Who are you serving, and what kind of expectations do you want to set in your organization? For example, you say, "We're going to listen to you, you're the central core, but our goal here is to grow, and we need to stay relevant to new people as well as to the people who are here." Because a lot of times organizations grow really quickly and then the new people say, "It's not as good for me as it is for those people that were already here, and so I'm going to cancel because I don't really belong like they do." A lot of it has to do with sort of setting the expectations of what's going to change both for the new members and being really, really focused on the needs of people as they come in and making sure that you're staffed for it. The other thing you can do is harness the power of your early members to help you with that onboarding and support while you're building out your team.

Ariana Rehak: Can you talk about some examples or some anecdotes that you've personally had working with associations? What were some of their pain points and some ways to solve those?

Robbie Kellman Baxter: Yeah. I think we've talked about a few of them, but I'll highlight a couple. So some are pain points and some are opportunities.

The AGU, this opportunity to expand more broadly to include more people I think is really interesting, and the way they're thinking about what they can do and their mission. Coming back to your mission with fresh eyes and saying, "What if we were starting this association fresh right now with an investor with deep pockets and no baggage and our mission was this? Would we build ourselves up the same way we are now or would we do something totally different?" That is a tremendous exercise that I, mostly I'm a consultant, when I work with these associations, this is often the exercise that we do to kick things off. It's kind of a get paranoid exercise. If somebody were starting your association with your objectives but they were a for-profit company with deep pockets, where would they go? What do your members really need that you're not doing for them? And that can often open up new ideas.

Another example of a challenge is when you have many members with really different goals, and this happens a lot like in trade associations where you have a restaurant chain that's 10 units, and you also have McDonald's, and one is owned by a family and is closely held, and the other is owned by a corporation and has franchises. Figure out what are the benefits that each group wants and where do you put your resources? Because the small guy might want templates for marketing their restaurants, and McDonald's does not need help with their marketing machine. You have to decide, who are we going to support and listen to, and how do we balance the needs? In some cases it may mean that an organization needs to split apart, but more often what you really need to do is just acknowledge the differences and think about what is in the best interest of the mission of the organization.

Ariana Rehak: Because we're running low on time this is going to be our last question today. Can you, Robbie, think of any other relevant books or resources that you recommend to our listeners on kind of related subjects?

Robbie Kellman Baxter: Yeah. There's a book that just came out recently called “Leading with Noble Purpose,” which is about inspiring your organization by tapping into your mission, by Lisa Earle McLeod, I think that's a really good and interesting book, and really focuses on kind of leadership. I really like, for people that are thinking about marketing and how to grow, I know that's an issue with a lot of associations, there's a book called “From Impossible To Inevitable: How Hyper-Growth Companies Create Predictable Revenue.” While this is definitely a business book for for-profit companies, I think it's really interesting to think about how you can tinker with your marketing to grow your organization, and how to do it on the cheap, and how to turn on a dime, and how to be really efficient with it. Those are two books that I would definitely recommend.