

Halmyre Thinking

# Growing Value: Findings of Halmyre's Non-Profit Value Proposition Survey

2022 edition



# What's Keeping Non-Profit Executives Up at Night?

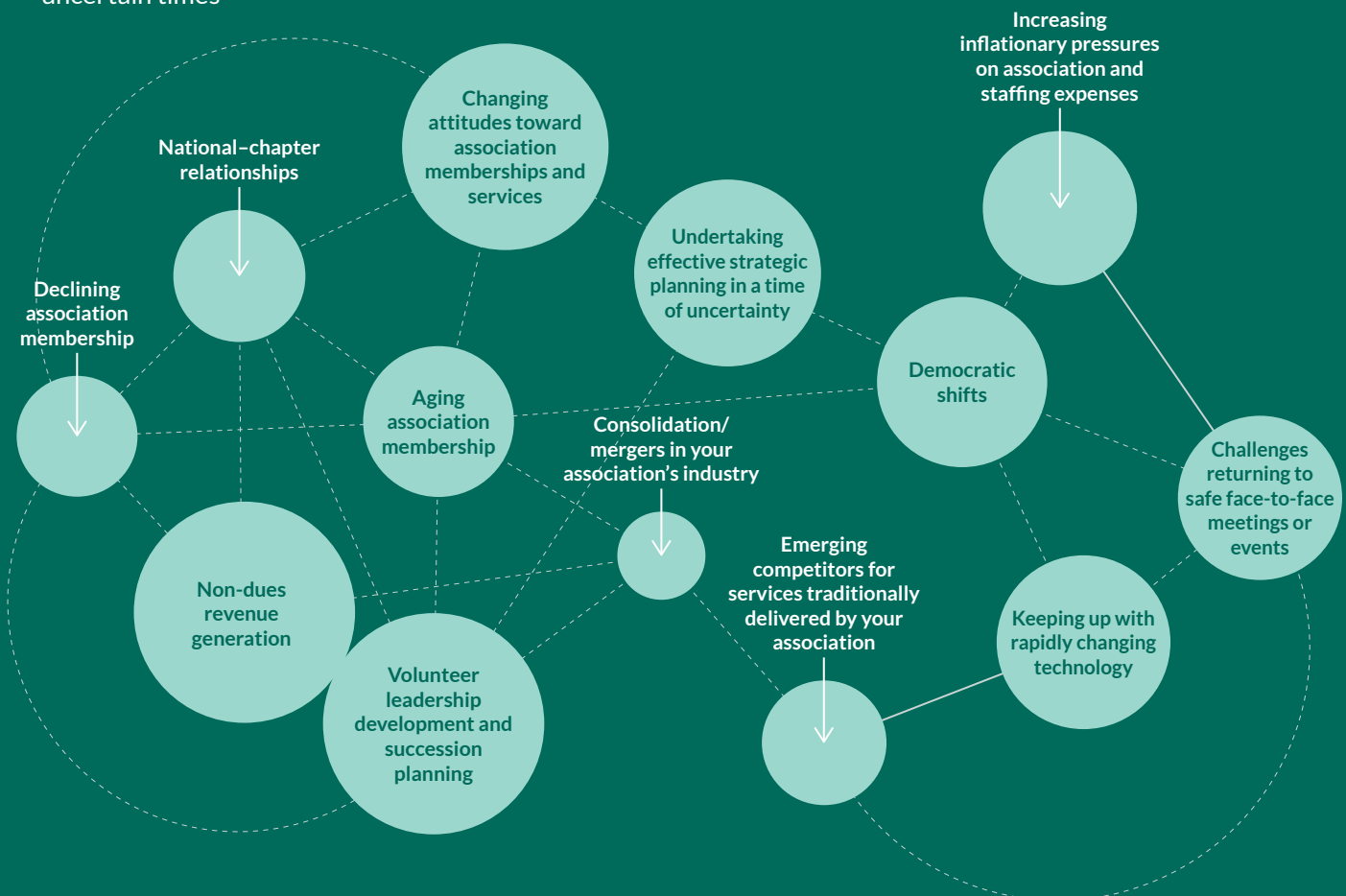
Halmyre's 2022 survey of non-profit leaders looks at the make-up of a successful value proposition, the management behaviours that signal resilience and what prevents leaders from taking those steps.

As we round the corner from the pandemic years, many non-profits are getting stronger. But there is also angst about the future of their organizations, particularly in relation to:

- Generating **non-dues revenue**
- Developing **volunteer leadership** and planning for **succession**
- **Changing attitudes** toward association memberships and services
- Undertaking effective **strategic planning** in uncertain times

Even non-profits with effective value propositions were concerned about

- **shifting demographics** and
- the **challenges of returning to safe face-to-face meetings and events**.



# Value Proposition Drives Sustainable Growth

Having a relevant, approved and aligned value proposition drives sustainable growth. Here are a few highlights reported by the most successful leaders on what their value proposition does for their organization:

## 1. Increases customer engagement and loyalty

**50%** increase in net promoter score.

## 2. Maximizes revenue and optimizes pricing

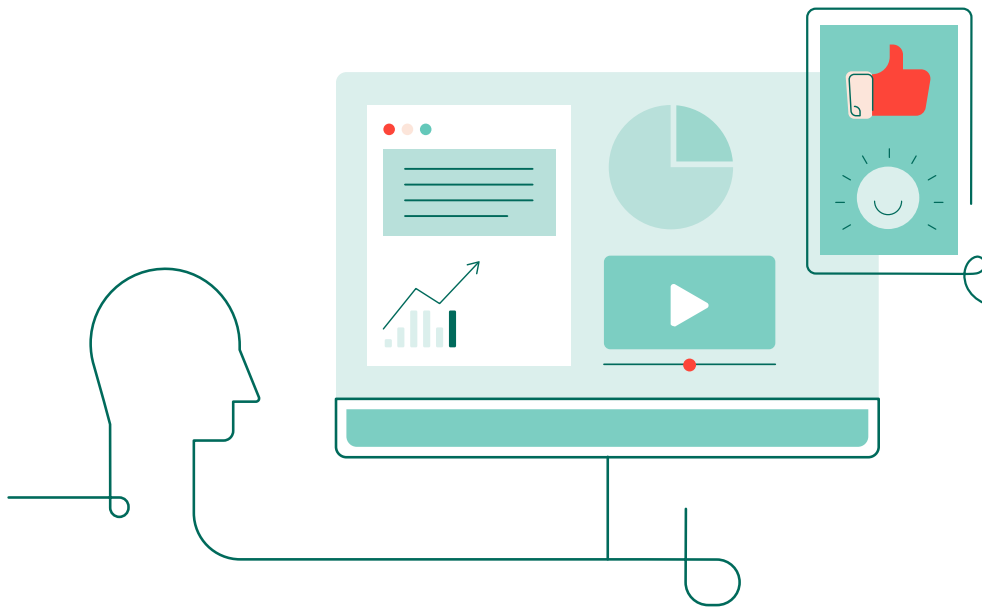
**49%** more reported successful revenue generation.

## 3. Deepens resilience

**69%** more strengthened their value to members.

# Providing Value Enables Customer Engagement

A value proposition makes it easier to engage customers and build loyalty. This means an increase in your ability to attract and retain members and customers.



## Twice the confidence

Organizations that can identify and develop their value proposition are nearly twice as confident in their understanding of customer engagement as those that cannot.

This confidence comes from having a more structured focus on your audience's wants and needs, which are expressed through engagement.

“Our new strategic plan has taken a *human-centred approach*, which our membership has responded really well to.”

Survey respondent

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**91%** of non-profits with a solid value proposition expect to increase customer engagement over the next year.

# Investment in Value Proposition Strategy Drove the Best Growth in Over a Decade

In 2019, the Ontario Society of Professional Engineers (OSPE) wasn't seeing the membership growth it expected.

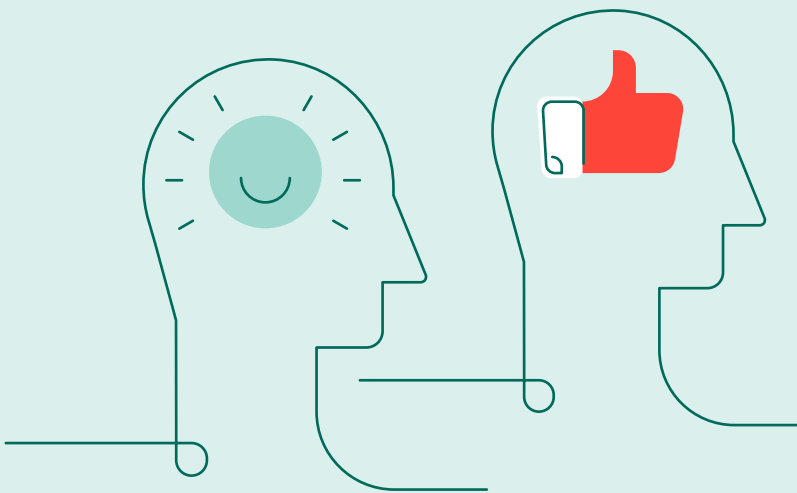
Its leadership committed to a progressive, foundational approach to building value through a value proposition strategy, focused member personas, brand and acquisition marketing strategies, and member engagement planning.

As a result, two years later, in 2021, OSPE experienced its strongest membership growth since 2008, as well as a

**35%** increase in web page views.

**37%** increase in average time spent on its website.

**58%** improvement in its bounce rate.



Talk to an expert about crafting your value proposition.

# The Right Pricing Strategy Maximizes Revenue

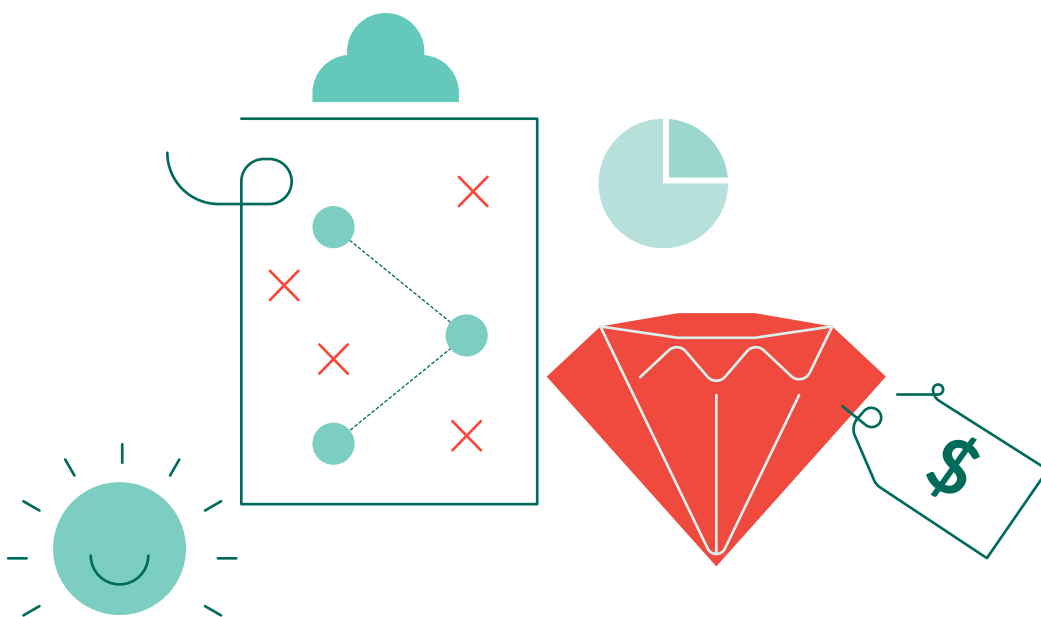
Choosing the right pricing tactics maximizes an association's revenue and creates *better ROI*. Associations with a solid value proposition – those that *understand their value* and price products and services accordingly – reported doing better overall than those that did not.

Non-profits without strong value propositions risk sending the wrong signal about the quality of their offerings. They can appear uncertain about their strategies and don't know how they are doing financially.

**67%** of non-profits with their value proposition well in hand are more confident in their pricing strategies.

**“Members are seeing *return on investment* and renewing and paying without questions.”**

Survey respondent



# Don't Leave Money on the Table

Almost 60% of non-profits without a strong value proposition reported *missing out on revenue* because of their pricing strategies.

Implementing a pricing strategy tailored to your unique organization helps non-profits to:

- Support their corporate goals
- Deliver even more value to members
- Maintain their competitive standing
- Cover their costs
- Help everyone win

## Simpler pricing strategies can work

Pricing doesn't need to be difficult. The strategies below are common because they are easy to manage. But their simplicity can also be a trick – invest in managing them purposefully or you may risk leaving money on the table.

- **Benchmark pricing** – comparing your prices to those of competitors
- **Cost-plus pricing** – marking up the product's unit cost

## Confidence in value leads to advanced pricing strategies

Organizations confident in their value proposition are more likely to use advanced pricing strategies, such as value attribution. This can be a signal of strength and resilience.

**“We took the time to consider our prices. Looked at all available data. And despite the increase in pricing, the membership is responding well and continues to see value in the association and its offerings.”**

Survey respondent

Method		Have good value prop.	Lack good value prop.
Member Dues	Value Attribution	43%	21%
	Cost Plus	10%	26%
	Benchmarking	19%	15%
Products & Services	Value Attribution	41%	27%
	Cost Plus	27%	35%
	Benchmarking	15%	38%

Source: Halmyre 2022 NFP Value Propositions Survey

 Talk to an expert about your pricing strategy.

# A Value Proposition Increases Resilience

COVID-19 lockdowns affected what non-profits could do to engage their members and what members wanted from their association. Associations had to *find new ways* to maintain and grow their membership and to provide value.

Having a strong value proposition made non-profits more resilient throughout the pandemic.

## Strength from adversity

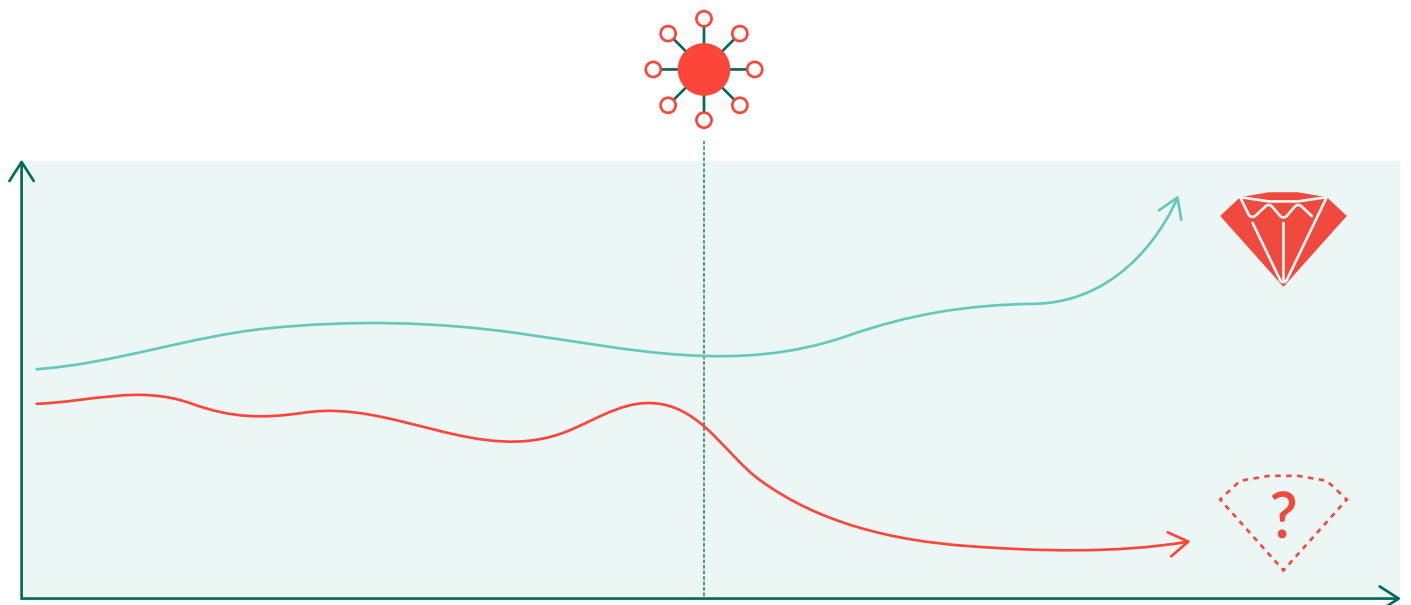
Non-profits that could develop, identify and grow their value proposition were more likely to indicate that the pandemic **strengthened their ability to deliver** to their customers.

Conversely, non-profits without a strong value proposition were more likely to report no change in their ability to deliver value.

**“We learned a lot from working through COVID, and now we have *more ways to offer programs and services to members.*”**

Survey respondent

**69%** of non-profits with clear value propositions strengthened their ability to deliver value through the pandemic.





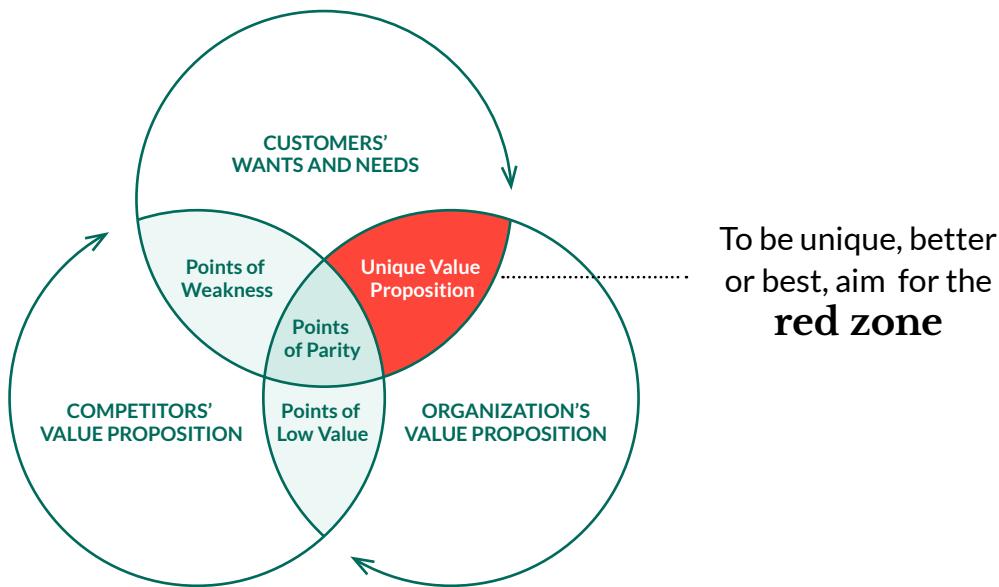
# Construct a Strong Value Proposition

Developing your organization's value proposition takes disciplined awareness of external factors.

A strong value proposition is:

- **Relevant:** Anchor it in your clients' wants and needs.
- **Competitive:** Analyze your competition to assess the viability of your offering.
- **Differentiated:** Identify features and benefits that boost your organization above your competitors.

Halmyre's methodology for developing a value proposition®



 Talk to an expert about crafting your value proposition.

# There Is a Gap

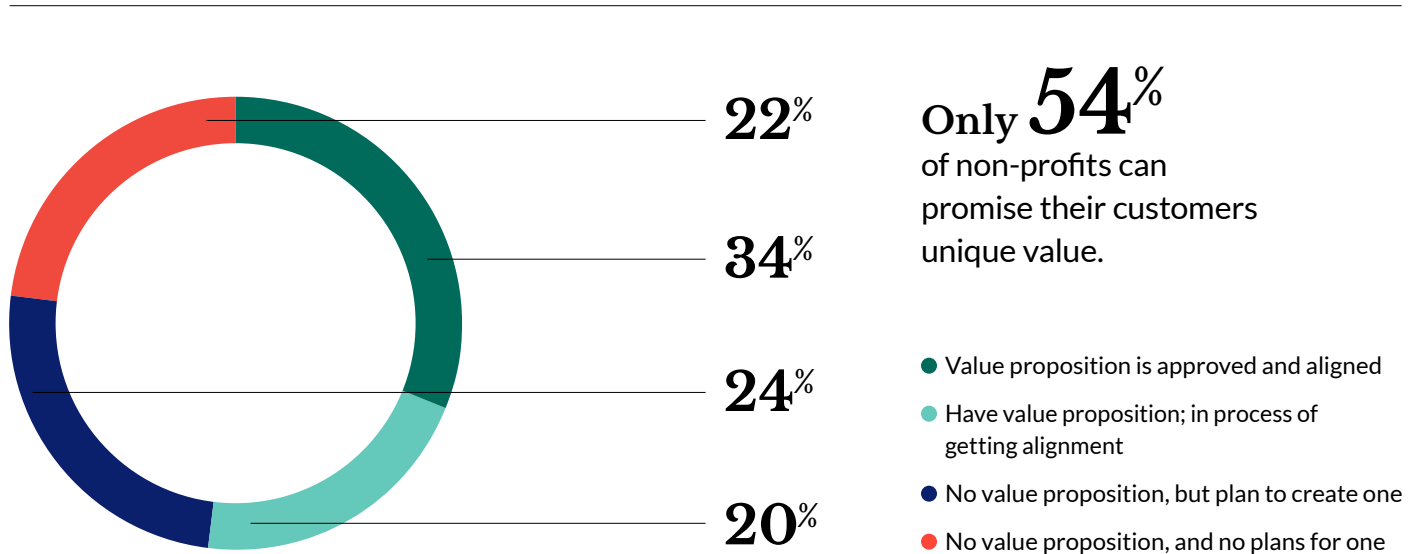
The 54% that have a good value proposition that's aligned and approved *consistently reported growth* because they were able to increase engagement, revenue and resilience.

But the 46% that don't have a unique and relevant value proposition are struggling.

Why? Lack of know-how, time and internal resources.

*"I'm not sure I know what a good value proposition looks like, so I don't know what the endgame is... finding that value proposition that isn't a mission statement, that isn't a vision statement... I just don't know what that looks like."*

Survey respondent



# Where to Start: The Value Proposition Audit

**Give us a call. We'll start with a free consultation to help you focus on your unique growth strategies.**

We can then help with a value proposition audit. This can diagnose weaknesses, blind spots, opportunities and unrealized successes to drive **growth, resilience** and **confidence** in your organization.

A value proposition audit will help you plan targeted investments to ready your organization for growth.

## **If you only have \$1 to spend...**

Most organizations are resource-constrained. An audit of your value proposition can help executives and boards **realize the highest ROI** on their time and money. Smart strategy is about making choices, and a sound value proposition will focus you on what's relevant.

**“It was a far more *in-depth* review than I had expected, with particular value for us. I very much appreciate this!”**

Dr. Judi Malone, CEO  
Psychologists' Association of Alberta



Talk to an expert about starting your value proposition audit.

# Proactively Engage in Data Intelligence

A sound data strategy provides *deeper understanding* of customers' wants and needs, supports your business strategies with facts and elevates your marketing efforts.

## Build your data strategy:

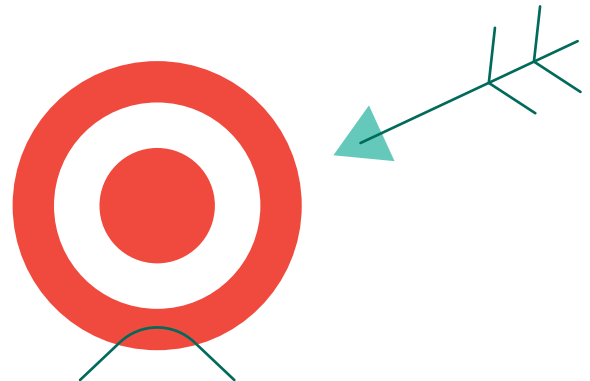
1. **Map key success factors (KSFs)** – i.e., how you measure how well you deliver on your value proposition.
2. **Map key performance indicators (KPIs)** – i.e., how you measure your performance for each KSF.
3. **Establish your segmentation strategy** – i.e., how you separate customers according to demographics and behaviour.
4. **Assess your analytical capabilities and current data state:**
  - What is your data inventory?
  - How reliable and useful is your data?
  - How accessible is your data?

## Put it in place:

1. Build your KPI dashboard to communicate with decision-makers.
2. Develop diagnostic reporting.
3. Strengthen your data practice through discovery.

**“If we really want to get out of this sort of hole we’re in now from COVID, we’re going to have to be much more purposeful about gathering data and *using data to make decisions.*”**

Survey respondent



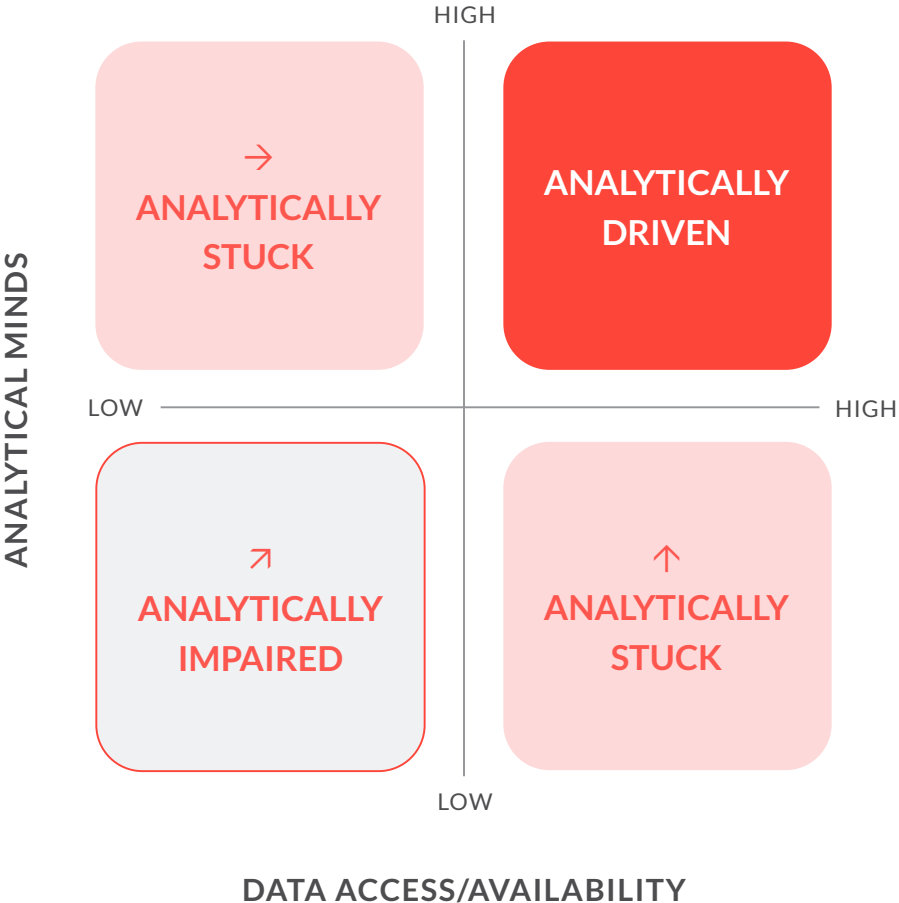
Talk to an expert about crafting your value proposition.

# Map Your Analytical Abilities

Is your organization driven or stuck?

“Not-for-profit associations are highly mission driven. But they can lose sight of their value in the marketplace. Non-profit leaders now have an opportunity to regroup and consider, ‘What is our value proposition?’”

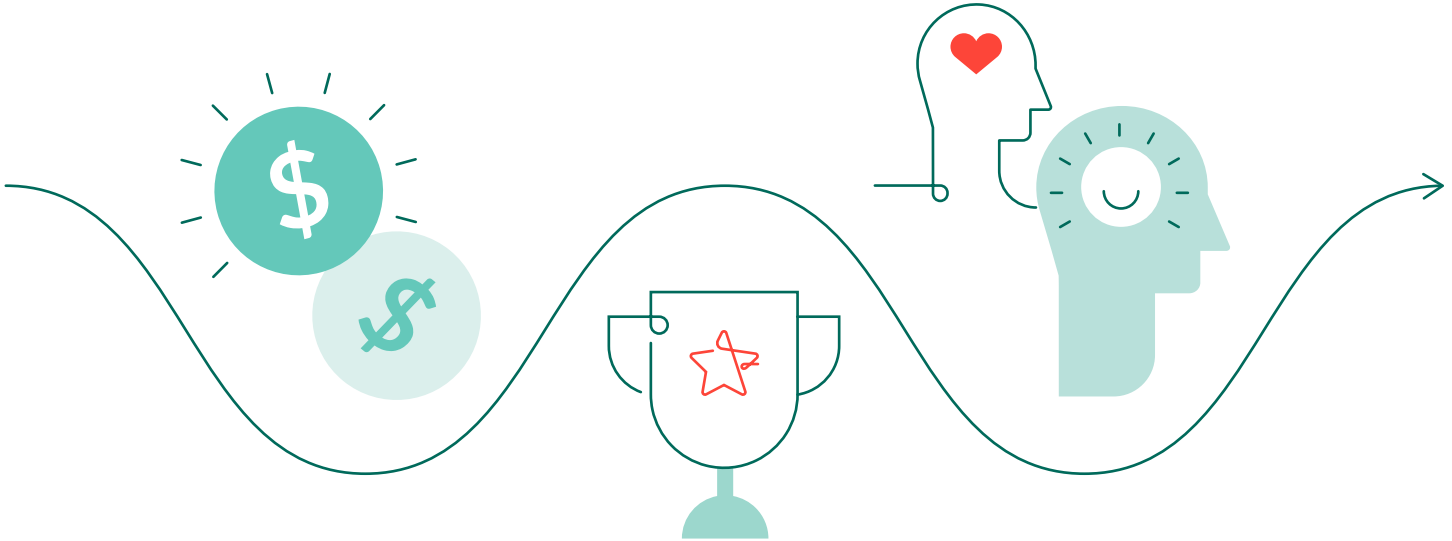
Christine James, CAE, Vice President, Halmyre



Source: Marketing Data Intelligence: Getting the Insights You Need to Make an Impact (Halmyre, 2021)

 Talk to an expert about designing your membership data strategy.

# Keep Growing



## Managing a value proposition is an *ongoing process*:

- Market conditions – the political, economic, social and technological environment – are always shifting.
- Your competitors are always evolving.
- Your audience's wants and needs are always changing.

## Every organization should consider six types of growth:

1. Topline revenue
2. Bottom-line ROI
3. Customer acquisition
4. Customer retention/deeper engagement
5. Impact and influence
6. Brand awareness

## Growth isn't always about "more"

Growth can mean bigger, but often it simply means **stronger** or perhaps **more efficient**.

At different times and in different ways, focus on your combination of growth strategies to build your organization's resilience in today's world of non-stop change.

**"Your marketplace is always changing and evolving. If you aren't too, you risk standing still, which is the same as shrinking. Growth means change, better and forward."**

Christine Saunders, CM, President, Halmyre



Talk to an expert about crafting your value proposition.

# Ready for the Future

A value proposition is a critical internal statement of *your association's worth*. It clarifies your reason for being and helps you to choose or reject strategies, programs and services.

The results of the Halmyre 2022 NFP Value Propositions Survey show that many non-profits cannot identify or define their value proposition – and they're missing out on building customer engagement and loyalty, maximizing revenue, optimizing pricing and growing resilience in challenging times.

Respondents with a clearly articulated value proposition have management practices in place to **understand what their customers value** and to deliver value to them.

They are better set to rise to the next level to tackle new challenges. And to keep growing.

## Your get-started checklist

1. Undergo a value proposition audit to look for opportunities.
2. Develop personas through insightful research.
3. Use key success factors to steer.
4. Use key performance indicators to manage.
5. Refine your visual identity to reflect your audience.

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## About this study

This is the second annual Halmyre NFP Value Propositions Survey. In April 2022, we surveyed executives from non-profit professional, trade and public service organizations in Canada and the United States.

## About Halmyre

### Intelligent marketing solutions

Founded in 2014, Halmyre is a team of multidisciplinary marketing strategy consultants who deliver intelligent marketing support to our clients.

As your marketing strategy partners, we will use our Halmyre Marketing Ecosystem™ to cover all aspects of your organization affecting your ability to grow.


- **Value proposition** – products, pricing, audience insights
- **Service design** – online and in-person delivery and engagement
- **Performance management** – data and data systems
- **Creative** – how you look and sound
- **Content and promotions** – what you're saying and how well it's working

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