

# During A Weak Economy, ASAE's Graham & Others Say

By Marlane Bundock



# GET FOCUSED

As the president/CEO of the American Society of Association Executives and The Center for Association Leadership (ASAE & The Center), John Graham IV, CAE, has a clear understanding of the challenges that association-based meeting professionals are dealing with today. "Our members are certainly feeling the pinch right now and, unfortunately, some associations have recently seen a drop in attendance at their events," he said.

Graham said ASAE & The Center are focused on helping member associations deal with challenges related to the economy. "Because of the economic downturn," Graham said, "we want to make sure that the services and events offered by ASAE & The Center will be valuable to our members and help them excel in their association and nonprofit management careers."

One of the messages that Graham is passing on to associations is that their events must be focused on education and providing member benefits, especially during an economic recession. "Historically, tough economic conditions have motivated folks to continue their education and professional development to be an asset for their organizations. By attending trade show exhibits, conventions and educational sessions, members gain the knowledge that will allow them to stand out from the crowd and make them more valuable in the eyes of their supervisors and senior executives.

"Event planners should focus on the benefits their meetings provide attendees and build on that momentum. This is the time for our events to be more appealing to our members, and the current economic conditions cannot stop meeting professionals from providing outstanding

educational sessions. Participants have to see the value of our meetings to their professional development and personal interests so that they keep coming back and continue their learning experience."

According to Graham, ASAE & The Center are concentrating on the same theory and are focused on providing "exceptional events and thought-provoking educational sessions" in order to retain members, grow membership and host successful events. One of the key ways to provide worth to association members, Graham said, "is by offering learning sessions presented by the most knowledgeable speakers and discussion topics that matter the most to members."



Hall

**"The association industry operates in cycles. Sometimes, like now, you have to work harder to drive and maintain membership and promote the value that you offer members."**

—Charles Hall, Association Services Group

Meanwhile, Graham noted that expenses at conferences held by ASAE & The Center are being carefully analyzed and geared toward learning objectives. "We are implementing cost-saving business practices," he said.

Likewise, Charles Hall, the president/CEO of Georgia-based Association Services Group, said that many of today's associations are "getting back to the basics" by devoting "more

time to education and reducing external trips or social events for purposes besides networking."

Hall has more than 25 years of association management experience and his company, an accredited association management company (AMC), provides full-service management for nine state and national associations along with assisting other similar organizations with special projects such as meeting and convention coordination. Hall noted, "The association industry operates in cycles. Sometimes, like now, you have to work harder to drive and maintain membership and promote the value that you offer members."

Providing full-service management for 12 local and national associations and project services for approximately 12 others, John Ruffin, the president/CEO of Kentucky-based AMR Management Services, is also keeping a close eye on the economy.

"Associations are looking for ways to approach the economy, but the solutions are not one-size-fits-all."

Ruffin's clients had successful events during the 2008 fall conference season, he said. "But looking to 2009 and 2010, there is an expectation that the economy will have an impact on events, and we have been discussing with association boards and committees different ways to bring more value to attendees at these upcoming events." ▶

Conference formats, length and content are being analyzed to provide the greatest benefits to attendees, Ruffin said. For events in which destinations have not been selected, Ruffin is recommending to his clients that they look to second- or third-tier destinations. “These cities are typically more competitive and are willing to negotiate and provide additional incentives to our associations, such as complimentary room nights, waiving attrition, or providing food and beverage at minimal costs. Another way to provide more value to attendees is through negotiating à la carte pricing for meals or pre-conference tours. This way, attendees who do not choose to participate do not have to pay.”

Hall also noted that price sensitivity is one of the trends that associations are currently facing, and his company is working with his clients to find ways to limit expenses. “Associations and nonprofits,” he said, “are seeking value and ways to cut costs such as omitting a meal—

such as a breakfast, which many attendees skip—from the agenda and therefore reducing the registration fee.”

And, because of the possibility of declining attendance numbers at association events, Hall’s company is looking for ways to boost registration such as offering financial incentives. “For one of our associations,” Hall said, “we mailed a \$50 coupon to discount the registration fee in order to drive up attendance.”

Graham, Hall and Ruffin all agree that association events and conferences will continue to be viewed as valuable resources for education and networking by members, which will not change during recessions. Ruffin, who has been the president of two associations and owned his company for nearly 12 years, added that people join associations because they “have a passion for issues,” and that’s one of the reasons he is dedicated to assisting associations and developing creative ways to provide value to association attendees. ■

## Q&A:

### ASAE’s John Graham



Graham

To get a better picture of the current impact of the U.S. economy on associations and what the future will look like, *ConventionSouth* asked John Graham IV, CAE, president/CEO of the American Society of Association Executives, the following questions:

#### Do you think that the “challenging” marketplace will see relief this year?

*This is a trend that has began earlier in 2008 and will most likely continue through 2009. It might also have an impact on our industry in the following years. The current economy is undoubtedly the main factor affecting our industry’s meetings and events. What we need to keep in mind, however, is the fact that there is a light at the end of the tunnel for associations and nonprofit organizations affected by the economic downturn. The federal government has proposed a number of incentives to charge the economy, and we should see the results soon. I strongly believe that we will overcome these crises.*

#### What association segments are facing the harshest challenges?

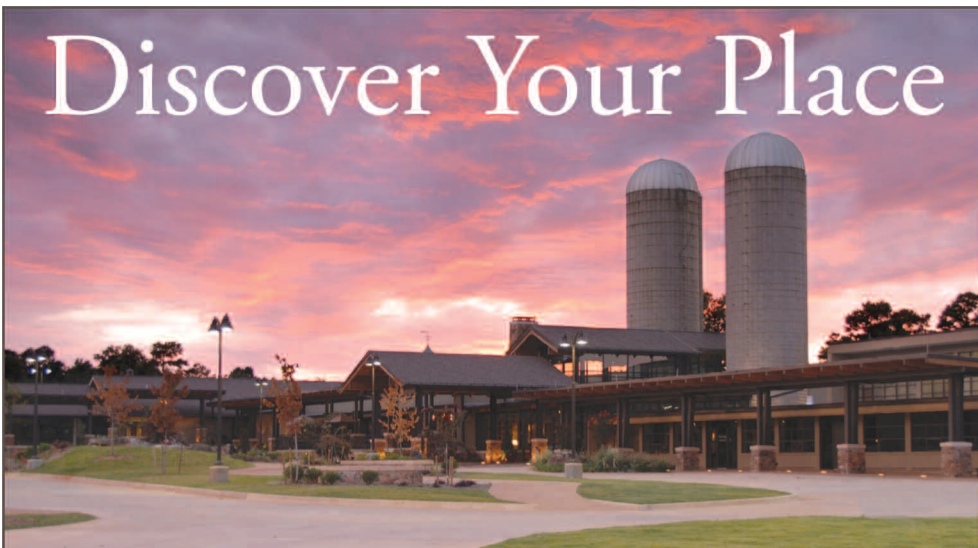
*It is difficult to predict exactly which associations will be affected the most, but it’s safe to suggest that organizations affiliated with the struggling segments of the American economy, like finance, banking or insurance, will be impacted. In the long run, however, other associations might also experience some decline as we see a consumer-wide savings push.*

#### Should associations be optimistic about the future of their events?

*Times are definitely tough for many folks around the country, but I think we need to have an optimistic outlook for our future despite the challenging conditions.*

*We represent a very important sector of the American economy, and associations and nonprofit organizations must maintain their position. The mission of associations and their members support the bottom line of the American economy. We drive the innovation and economic progress through our programs and resources that we offer to our members. ■*

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