



Transition Group Meeting Two
29 July 2022

Paper Three
SEI Membership

Purpose

To provide some initial thinking to stimulate discussion by the Transition Group on the matter of membership, noting the intrinsic link to functions and services on offer. There are a range of technical questions to be considered, and initial views on some or all of these would be helpful in shaping the final recommendations.

Background

Definition: Membership organisations typically have a particular purpose, which involves connecting people together around a particular profession, industry, activity, interest, mission or geographical location. This might simply be to encourage or facilitate interaction and collaboration, but it also often involves promoting and enhancing the purpose itself. (Source: [Wikipedia](#))

It might be therefore that the purpose of membership in our context is twofold

- The social enterprise community feels connected, informed and supported.
- SES is valued as the membership body and SEI for social enterprise in Scotland.

We need to better understand the mindset of members and importantly what motivates a member to join an organisation. Below are six key factors:

- **Networking** – the opportunity to interact with and learn from others who have similar interests, concerns and challenges
- **Policy and influencing** – the opportunity to engage with peers and policy makers to shape and influence policy.
- **Solutions** – changes are a fact of life and members expect to be kept informed of trends, challenges and opportunities which impact their profession, industry or business.
- **Skills** – the skills members need will change, often at a rapid pace. Members expect you to help them develop new skills and update others so they can keep ahead of the demands their work makes of them.
- **What's in it for me** – members will constantly evaluate why they should be a member and need tangible as well as non-tangible ways to value their membership and justify the fee paid.
- **Belonging** – being part of a community, a sense of group values, and working towards a common goal, are powerful feelings.

This also aligns with the function of an intermediary organisation as per Scottish Government commissioned Intermediary Framework.

- Representation and influencing
- Build/share intelligence
- Information and support
- Organisational development and capacity building
- Develop/promote good practice

Research: Membership organisations staying relevant in 2021

Full report: [fs-membership-organisations-2021-v8.pdf \(culturehive.co.uk\)](https://culturehive.co.uk/fs-membership-organisations-2021-v8.pdf)

Extract below including recommendations

Over the last few years people have changed how they perceive and what they expect from customer experiences. People want more, but most importantly, people want better. These changes in expectations translate across all industries, including into the world of membership organisations. We started questioning what lines became blurred, where customers expected improvements and how these shifts will affect memberships long-term. With the pandemic only accelerating this transformation, it was critical we understood the new mindset of the member, in order to identify what business opportunities lie ahead, and where value can be added to membership organisations in the future. We interviewed 2,012 UK adults to explore expectations, attitudes and behaviours related to memberships. We focused on membership organisations where there is a regular fee for a membership which gives exclusive access to knowledge, events, discounts, networking or a physical experience. [fs-membership-organisations-2021-v8.pdf \(culturehive.co.uk\)](https://culturehive.co.uk/fs-membership-organisations-2021-v8.pdf)

Recommendation 1 - Aim for individualisation over personalisation.

For organisations serving a large variety of members, communication and marketing become complex jobs. Multiple personas, variety in reasons for joining, experience expectations and preferences for different channels create extra hurdles when aiming to engage audiences, or elevate the membership experience. If they don't already, membership organisations must get to know their customers in detail in order to fully understand where there are opportunities to build new products, value propositions and make improvements along the membership experience.

Recommendation 2 - Think in habits to cultivate engagement and long-term service subscriptions

To win at the membership game long-term, organisations must move away from aiming for loyalty and reach for habit-building instead.

Recommendation 3 - Reimagine shared experiences

If the pandemic showed us anything, it's that people long for connection. While in-person activities like events and meeting others can't be fully replaced by digital experiences, the online space stepped up to be a good substitute when "in real life" was no longer the option. People now see the value of connecting remotely and are used to using the technology to support it.

Recommendation 4 - Identify the new kind of competitor to your membership

The landscape for membership organisations is being influenced by a new kind of non-direct competition. For membership-based organisations, it's time to re-think who the competition is and how your products align with your customer needs. Start by asking and investigating what is the alternative to your customers in terms of community offering, experience or attention. The Jobs-to-be-Done framework can be a perfect tool for this exercise - what is the real job of the services you provide? What core needs are the services fulfilling for your members?

Recommendation 5 -Experiment with your business model

With customer expectations, needs + value perception evolving, membership organisations must find ways to experiment with how they package value, in order to stay relevant with customers, set the direction in their industries and be commercially viable.

A standard type of membership, where you only have one payment option, sees all members accessing all benefits and paying the same price. At customer-level, the benefits of a membership are likely to be seen as a package of services for which you pay a fee. In return, they solve a problem. Some services get used, some do not. Some are more relevant to certain customer groups than others. Sometimes, people simply can't use them, take the Covid-19 disruption as an example. But it's important to remember that people don't enjoy paying for what they don't want or need, and certainly when they do not have any other option but to do so. Therefore, the lack of tailored options, in terms of services or payment plans, can miss the mark for those prospects seeking some flexibility.

Key Considerations for Transition Group

Who is eligible for membership?

- SE's meeting Voluntary Code of Practice
- B corps / Business for good type orgs
- CIC with shares (private profit)

- Intermediaries – national and local (passporting membership similar to network of networks approach)
- Local authorities
- Public Bodies
- Academia / research bodies
- NGDB's ie **sportscotland**, Creative Scotland
- Private sector including corporates, family business etc
- Sole traders / individuals

What are the different categories of membership?

- Aspiring member (start-up)
- Full member
- Associate member
- Corporate
- Supporter
- Individual
- Sponsor

Membership fees

- No fee for social enterprises (all)
- No fee for social enterprises >100k
- Tiered membership based on social enterprise turnover (or profit)
- Tiered membership for social enterprise depending on level of services accessed
- Pay as you go model (social enterprise)
- Corporate membership (subsidise social enterprise membership or additional income for SES)

All of the above needs to be considered through a realistic lens of affordability based on business plan assumptions and associated grant from Scottish Government, current economic uncertainty and willingness and ability to pay – developing a value proposition will take time and will need engagement and communication with members.

Additional Considerations

Communication is key to developing robust and trusted relationships with members to retain and recruit as a credible SEI. This is an ideal opportunity to rethink our own propositions to identify the core of what members are looking for and make improvements in those areas.

SES has already identified the opportunity to use digital as more than a tool for mitigating circumstances, but one that adds value to the overall experience of being a member. Community Platforms – that enable togetherness - specialised forums provide an opportunity for learning, debate, peer support and knowledge sharing.

Members must feel that SES represents them, consults with them, that members can shape SES and help focus in on where the organisation's activities and key policy/influencing areas. Members will wish to note therefore, the connections with future governance.

Consideration should be given to how to differentiate between what full members benefits are in addition to the non-member social enterprises. Being mindful that part of SEI remit is to represent and support the broad church.

Members want an SEI that is easy to engage with and accessible, that listens to and understands their organisational needs and challenges - membership is affordable and through joining they see tangible, multiple benefits.

Summary

To enable the transition group to move forward and agree recommendations in relation to SEI membership it will be helpful to make decisions on the following key areas.

- Who is eligible for membership?
- What are the membership categories?
- What should the fee structure look like?
- How does the SEI relate to other membership organisations (local and national) and make the infrastructure work efficiently and more collaboratively? For example, where there is a cross over in membership. How do we maximise the member experience recognising specialist areas such as health & social care; employability; land; climate emergency etc.
- Social Enterprise business support & funding – would it make sense for SES member criteria to align with both business support organisations & funding organisations to have a consistent approach?

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