The New Association Tech Ecosystem

Powering Member Experiences with Integration and Specialization

RICOCHET

Foreword

For decades, massive association technologies were purchased, customized, and managed by organization IT departments. At the center of this traditional structure was the Association Management System, or AMS--the software that could do everything from recording revenue to the ledger to managing web content to printing meeting badges.

Then, associations found themselves trapped by their enormous AMS all-in-one solution, unable to change at the pace of their customers.

AMS technologies weren't sufficient to meet the increasingly-digital needs of members. Member data was hard to analyze and deliver insights for businesses experiencing new challenges. And, upgrading to a new solution or version required significant money and staff time to accommodate customizations.

The COVID pandemic exacerbated many associations' digital shortcomings. Their AMS and other software didn't support rich online events or virtual voting or integrations between systems or robust online communities or analytics and dashboards. The suite of all association technologies, called the "tech stack" or "tech ecosystem," didn't provide the integrated, personalized digital experiences that members needed during a crisis.

Now, association executives are partnering with their IT departments to establish forward-looking tech stack strategies. Associations want to reduce AMS reliance, expedite development, distribute ownership, and explore commercial solutions. But with these changes come important shifts in ownership of technology strategy, budget, staffing, and organization design.

If you would like to talk more about the findings of our research, arrange for a presentation, or learn how your association can leverage new technology for the good of your mission and long-term success, please connect with us.

Chris Gloede   Beth Power

The Great Philosophical Debate

It's time to use the knowledge you have by turning your system of record into a system of action.
Jeff Horne, Wicket.io

In recent years, the landscape of technology options has exploded, fueled by three trends. First, increased digital expectations from members, customers, and donors created demand for more sophisticated online experiences. Second, improvements in system integration tools made it easier to link together technologies. And lastly, cloud-based software subscription business models allowed associations to expand their ecosystem with less hardware investment.

Now, with many software alternatives in the marketplace, two association tech stack philosophies compete for dominance: The Single Solution philosophy and the Specialized Solutions philosophy.

The Single Solution Philosophy

For years, associations used their AMS to enforce an all-in-one, single solution technology philosophy, with one system executing organization-wide functions and collecting all member data. The AMS was the unified system supporting membership, meetings, fundraising, financials, and more. The AMS promised a single view of the member (or customer), with insight into their every transaction, whether a committee assignment or a book purchase.

The Specialized Solution Philosophy

Now, associations are increasingly choosing to assemble best-in-breed systems following a specialized solutions philosophy. These myriad solutions individually perform a targeted function, such as event registration, web content management, or discussion forum administration. This purpose-built solution approach promises superior member experiences and limited customization requirements.

Association Tech Philosophies

vs.

Single Solution   Specialized Solutions
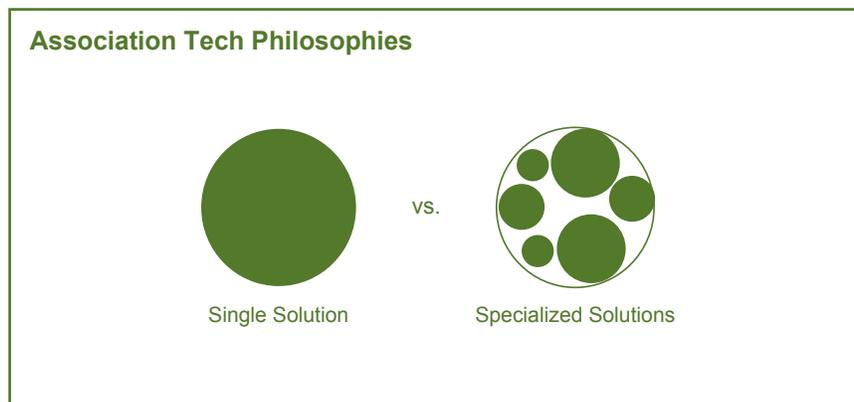
Choosing a Technology Strategy

Systems with different strengths must combine to create an ecosystem of consistent and powerful user experiences.
Marc Bernstein, American Society of Anesthesiologists

While it's simple to characterize competing Single Solution and Specialized Solutions philosophies as old vs. new, each approach offers benefits. What's most important is to find the strategy that fits the needs, budget, and abilities of an organization.
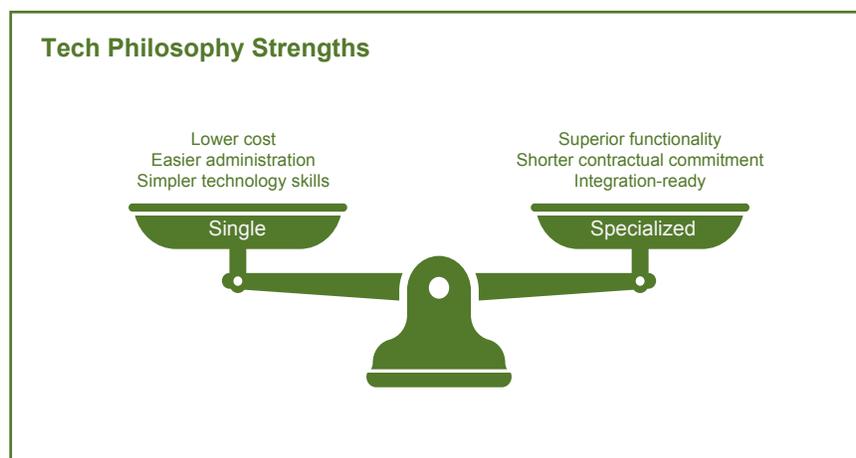
The Single Solution Balance

The power of the Single Solution AMS lies in its ability to lower the total cost of technology, reduce the staff required to maintain the solution, simplify employee training, and reduce vendor management.

However, the promise of a Single Solution AMS is not always realized. The specialized functionality is often limited, especially in quickly-evolving digital experiences such as content management, event management, and membership management. Associations often customize an AMS solution to meet their needs, only to discover they are unable to upgrade to the next release without costly retrofits.

The Specialized Solution Balance

Specialized solutions offer access to individual products with innovative functionality and API integration tools to connect to other solutions in the tech stack. By shifting the customization to configuration, you can make the software work for your needs. These solutions are designed to be easier to purchase and implement, making replacing easier when association needs change or better alternative solutions become available. And in some cases, shorter-term subscription pricing can minimize the risk of a new implementation.

But, Specialized Solutions bring their own challenges. Integrations with an AMS and other technologies are often not as simple as promised and require changing technical skills. Limited configuration capabilities can be a problem for associations with complex membership structures and the additional expense of more technologies can overwhelm budgets with pressure to realize additional revenue in the same year as the expense.

Tech Philosophy Strengths

Lower cost
Easier administration
Simpler technology skills

Superior functionality
Shorter contractual commitment
Integration-ready

Single

Specialized

Finding the Right Fit

We don't manage our tech providers as vendors, they are partners and an extension of ASAE.
Reggie Henry, ASAE

Associations are largely choosing to evolve from their Single Solution AMS approach toward a Specialized Solutions philosophy. But, their technological shift is gradual and the final destination is not always a full commitment to a Specialized Solutions architecture.

Four association tech ecosystem models have developed along the philosophy spectrum:

Monolith: A sole AMS providing all functions

Central: An AMS complemented by a few semi-autonomous systems

Orbits: A few large systems integrating with smaller systems

Hub and Spokes: Full architecture integration managed by a coordinating ecosystem

Association Tech Ecosystem Models
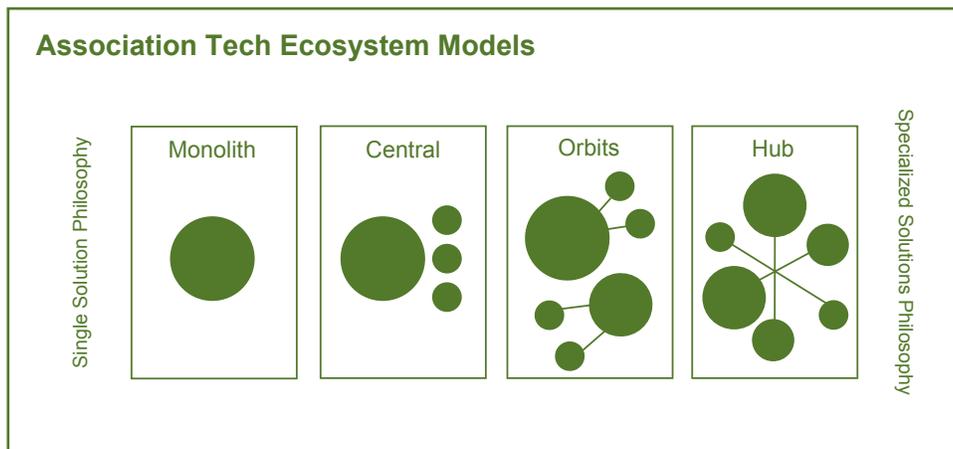
Monolith

Reflecting the pure Single Solution philosophy, associations following the Monolith model use their AMS for all functions. The AMS functions as the association enterprise resource planning solution, commonly integrating financial records, member/customer profiles, product records, web content management, meeting management, donor management, and reporting. Organizations in the AMS Monolith model will choose to customize their AMS rather than enhance with third-party solutions.

Pros: Low base cost, easy cross-function data management

Cons: Limited functionality, high customization cost, customizations impact upgrade path

Central

Associations using the Central model enhance their technologies with a few additional systems connected through a limited integration, such as an AMS single-sign-on function. Typically there is little data sharing beyond identity verification. Common choices for the outside ancillary systems are website content management and community discussion forums. Organizations using the Central model still strive to contain their data in the AMS and have limited views into the member experience of the augmenting technologies.

Pros: Expanded functionality, easy upgrade of ancillary systems

Cons: Limited data collection, limited personalized experiences, limited return on investment

Orbits

Associations using the Orbits model have added substantial solutions beyond their AMS and integrated system-to-system data beyond single-sign-on functionality. Common outside hubs collecting and integrating point-to-point with other solutions are marketing automation systems and virtual event platforms. Organizations using the Orbits model have meaningful pools of independent data and will create an analytics hub to collect and analyze the information.

Pros: Expanded functionality, unified analytics

Cons: Limited functional data availability, management of numerous integrations, limited return on investment

Hub and Spoke

Reflecting the pure Specialized Solution philosophy, Hub and Spoke associations use a middleware hub (sometimes called an integration platform as a service, or IPaaS) to integrate all their technologies. In this model, the AMS functionality is commonly limited to core association functions such as profile records, identity confirmation (single-sign-on), and billing and ledger management. The AMS becomes a spoke made available to all other spokes through the middleware hub. Associations are freed from point-to-point integrations and able to replace application spokes more easily. And because the spokes are out-of-the-box solutions with configurations rather than customizations, updates to systems become routine.

Pros: Solutions become plug-and-play for easier replacement, easier access to data across systems

Cons: Additional IPasS expense, escalated integration resources, data management coordination

Augmenting with Analytics

Storing everything in the AMS is no longer necessary, and this decentralization makes data strategy even more important.
Ben Muscolino, Breezio

Analytics and the Tech Ecosystem

Most of the tech ecosystem models share data to power functionality in varying degrees. For example, membership status passes from the AMS to the ecommerce store to determine discount eligibility. However, the data necessary for robust reporting greatly exceeds common functional data. Areas like web browsing history and abandoned carts are important data for analytics. Agressive data collection for analytics commonly occurs outside the association tech stack. As part of the process for collecting data must come a strategy to ensure good data and data structure for accurate analytics and personalization.

Whether you use data directly from your systems or create a data warehouse to store the data from the ecosystem, the data you use will drive decisions through analytics and be leveraged to provide a more personalized experience for your member. Analytics is no longer a nice to have in today's world of data-driven decisions. This allows for an important shift away from guesswork to data-informed recommendations.

The Analytics Quandry

Support the Hub

or

Create a Shadow
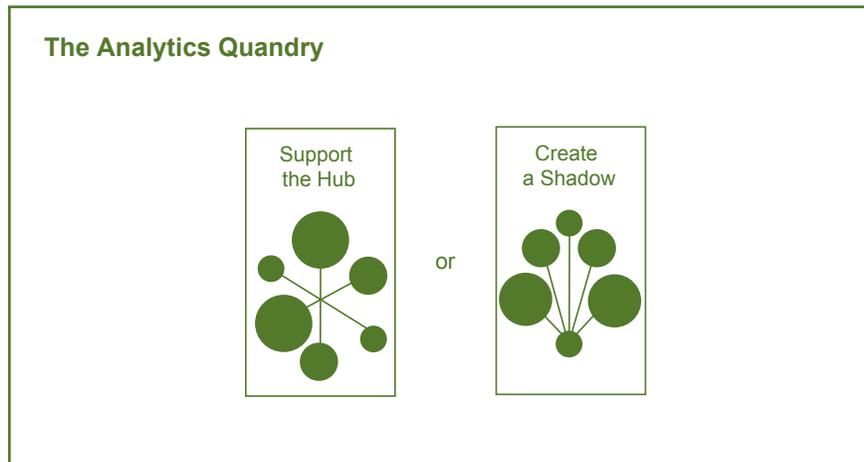
Enhancing the AMS

Associations should aggressively seek out new technologies as solutions become simpler to integrate.
Michael Hoffman, Gather Voices

As associations stretch beyond the Monolith tech stack model, they explore both association-specific and commercial solutions to expand their digital member experiences. Generally, association solutions will more readily integrate with AMS platforms as the knowledge of associations allows them to provide targeted onboarding and ongoing support services. Commercial solutions may offer more frequent product updates and more varied functionality because of their broader customer base. Taking into account who and how they service their customers and what their product does must be a consideration for implementation.

As associations evolve, they must prioritize their integrations with consideration for the ability to improve business through direct sales, membership growth, and sponsorship and advertising revenue. This is important not just for improving the

business but to understand the cost implications and return on investment for the tech ecosystem. Solutions organize into four categories: Foundation, Communication, Distribution, and Engagement.

Foundation: The home of the AMS and other core, often back-end, technologies such as analytics or integration middleware (IPaaS).

Communication: Technologies that support marketing and communications, often connecting to members through digital channels like email.

Distribution: Systems to develop and distribute association materials, from podcasts to webinars.

Engagement: Solutions that typically create the association membership value proposition, including career centers and learning management solutions.
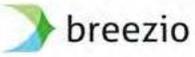
The Association Specialized Solution Marketplace

Association SaaS providers bring ready-made AMS integrations and member-focused functionality to speed time-to-market.
Chris Gloede, Ricochet

The assortment of sizeable SaaS providers specializing in the association industry is relatively small. These solutions generally offer experience and technical architecture to work with popular AMS solutions, functionality and user experiences designed for member organizations, and customer service and success departments accustomed to working with association staff and leaders.

The Association Specialized Solution Marketplace

Foundation
- AMS — Numerous Providers
- Analytics — ASSOCIATION ANALYTICS, Dynamic Benchmarking PERFORMANCE MATTERS, Inciter Data Driven, Nucleus
- Donor Management — Raiser's Edge NXT
- Integration — fusion connect, SHUFFLE EXCHANGE
- Payment Processing — AFFINIPAY, billhighway, FULLSTEAM Building on Great

Communication
- Online Advertising — Feathr
- Marketing Automation — informz, Prop Fuel, rasa.io, REAL MAGNET
- Influencer Management — snöball
- Event Management — cvent, OpenWater

Distribution
- Video — ASSOCIATION TV, GATHER VOICES
- Content Management System — tizra
- Search — FUSE SEARCH
- Advocacy — CQ ROLL CALL, votervoice

Engagement
- Community — breezio, higher logic, mobilize, TradeWing
- Mobile Community — Clowder, mosaic mobile platform
- Career Center — BOXWOOD CAREER SOLUTIONS, ymcareers
- Learning Mgmt System — Blue Sky eLEARN, brightspace by D2L, ELEVATE Learning Management System, TOPCLASS LMS by WBT Systems

Leading the Evolution

Digital transformation requires departmental collaboration.
Dan Stevens, Association.TV

The tech ecosystem strategy is no longer the sole responsibility of the association IT department. Because the tech stack is key to any association's ability to deliver digital services, tech stack models must be collectively decided on by leaders from marketing, membership, meetings, finance, technology, and other areas of the association. IT may still manage the integrations and infrastructure, but the business owners should be up front in the selection and administration of the tool.

Successfully evolving those technologies will require many far-reaching organizational changes. Technology budgets are splintering across associations but that decentralized expense must still be tabulated to properly direct technology investments. Demands on staff to play a strategic technology role will require them to upskill their tech knowledge through formal training, informal self-education, and software support and success teams. Changing IT skill needs also will reshape that department as the focus shifts from server maintenance to implementation and integration skills.

While it's common for organizations to bring together cross-functional teams to evaluate software solutions, few leaders can articulate their tech stack strategy or describe where they fall in the evolutionary model. Leaps along the tech stack evolutionary path will incur infrastructure expenses and take time to realize benefits. Organization leaders must all understand the investments and the path to a return. Changes to a more agile approach means there will be opportunities to deliver Minimum Viable Products (MVP) to members faster. This MVP approach will be a learning curve for staff and customers but will allow the technology solutions to be more responsive to the immediate needs of the customer.

Association marketing and membership departments are typically the largest consumers of the organization technology and increasingly taking active roles in the stack strategy. These departments are well-prepared to understand member needs, benchmark against other organization experiences, and innovate and trial new solutions.

Moving Forward

COVID forced associations to use data to guide their decisions during this time of unprecedented change in member needs.
Julie Sciullo, Association Analytics

For years, commercial businesses have followed the mantra "every business is a digital business" and made strategic technology investments, elevating the technology strategy into the boardroom. Too many associations have not followed that example and believe they have solved their member's new digital needs by choosing a virtual event platform and adding a single-sign-on login and password.

The technology rules have changed in the past few years. The shift to cloud hosting (including AMS software), the focus on API integrations, and the success of subscription models have produced specialized solutions that are more accessible with less risk. This is a pivotal moment when associations can access high digital features at a relatively low implementation risk if they have evolved their tech stack.

Association tech ecosystems limit or enable organizations' capacity to serve their members and customers online. Good tech stack choices will support rapid changes that continue to serve member needs. Poor stack choices will impede association evolution and strangle enthusiasm for member service. Real strategic leaders will pull their technical foundation from the shadows and shine a light on the important stack decisions ahead. This investment can produce great returns to retention and revenue.

Thank You

While the road ahead remains unpredictable, associations have a special opportunity to redefine member experiences through technology during this time of substantial societal change. Thank you to the technology executives and association staff that supported this initiative and provided valuable observations and perspectives to our research.

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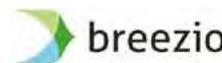Co-Founder and Chief
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Chris is the Chief Consultant for Ricochet Advice, a consultancy serving professional associations. Chris helps associations leverage modern marketing technologies and strategies to build stronger connections to prospects, clients, and members. Previously, Chris was the first Chief Marketing Officer of the American Bar Association where he created a culture of innovation. At the ABA, he pioneered large-scale virtual events and developed the world's largest free virtual continuing legal education series, regularly attracting over 4,000 simultaneous virtual attendees from around the world.

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Beth Power has more than 20 years experience with associations. From marketing to IT, her business understanding allows her to work effectively to look at technology solutions both strategically and operationally to serve the association. She has leveraged this knowledge in her roles as a business analyst and project manager on a wide range of technology projects to benefit the staff and members, as well as improve the products she's implementing. As the go-to person to understand the business needs and to have the perspective to translate them to the technical team in a clear and straightforward manner, she has added value in presenting at industry conferences and serving on the Higher Logic Product Advisory Council.

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Ricochet understands that associations are constantly transforming through a perpetual cycle or renewal. We help your transformations through a partnered approach that inspires your staff and prepares them to meet business challenges. Ricochet develops new marketing and membership strategies empowered by new technology, new processes, new analytics, and a new culture of trial and experimentation. We mentor through implementation to teach staff new methods that prepare them to continue the transformation independently.

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