Trends in Revenue of U.S. Chambers of Commerce

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The Long Term

1969 – 2006

Growth in Dollars

Metro Chamber Membership Revenue

35% growth after inflation

Metro Chamber Non-Dues Revenue

262% growth after inflation

Membership's Declining Share of Metro Chamber Revenue

- 1969
  68% of total revenue
- 2006
  39% of total revenue

Non-Dues Revenue's Growth in Metro Chambers

- 1969

  32% of total revenue

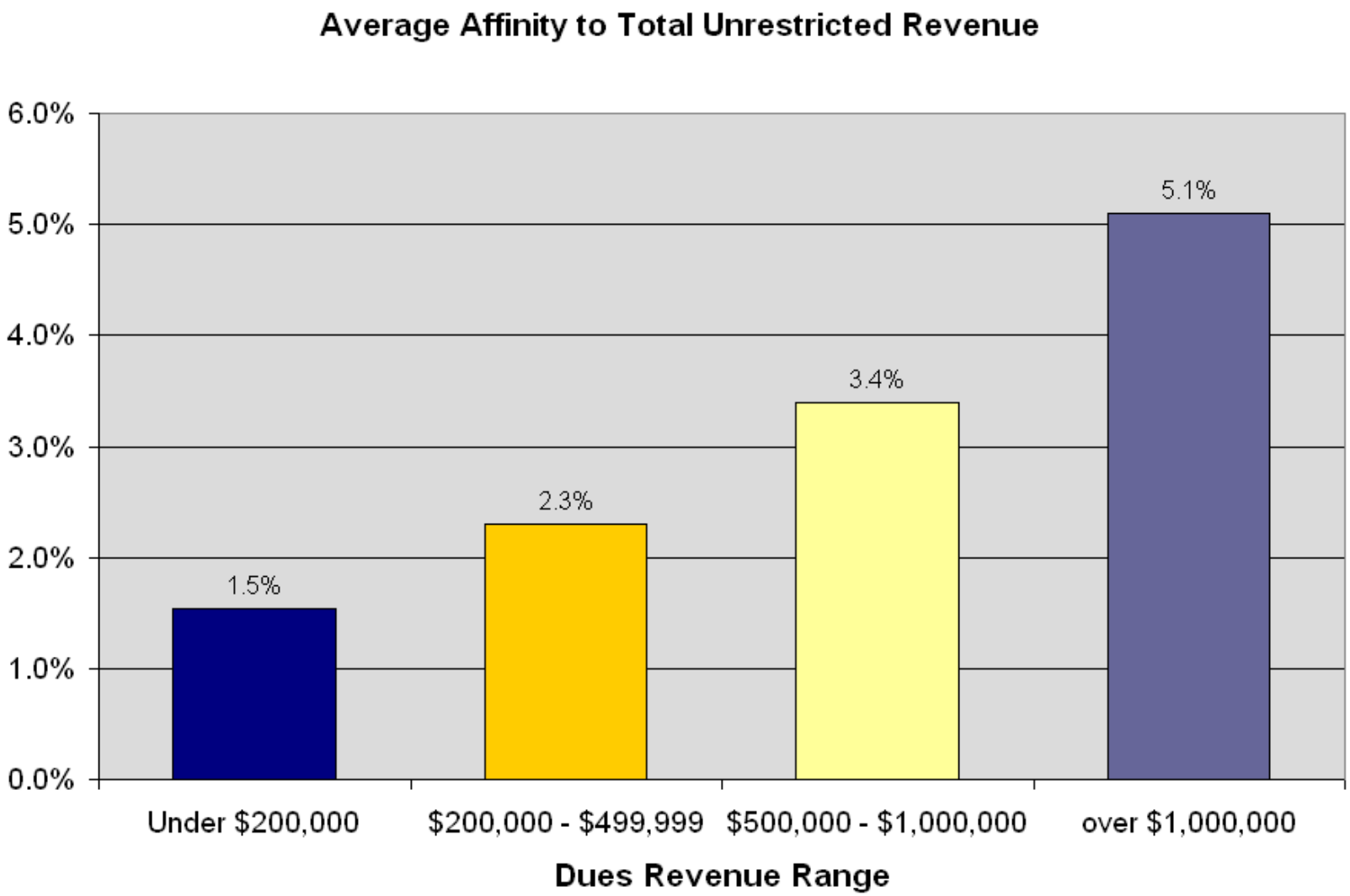
- 2006

  61% of total revenue

Non-Dues Revenue Components

- Events
- Sponsorship
- Affinity Programs
- Economic Development Funding and Contracts
- Other

Affinity Programs: A Modest Contribution



Special Fundraising Campaigns: A Powerful Source of Revenue

Metro City Chamber Capital Campaigns
(2007 Data)

Name of Chamber / Organization	Total Raised	Duration (Years)
Memphis Regional Chamber	$60,000,000	5
Greater Houston Partnership	$40,000,000	5
Greater Des Moines Partnership	$30,000,000	5
Metro Atlanta Chamber of Commerce	$25,000,000	5
St. Louis Regional Chamber and Growth Association	$20,000,000	5
Greater Omaha Chamber of Commerce	$19,200,000	5
Greater Philadelphia Chamber of Commerce	$18,000,000	4
Greater Pittsburgh Chamber of Commerce	$18,000,000	3
Greater Richmond Chamber of Commerce	$16,000,000	5
Baton Rouge Area Chamber	$15,500,000	5
Total, Top 10	**$261,700,000**	
Total, 50 Metro/Major Cities Chambers	**$530,730,000**	

Events / Sponsorship

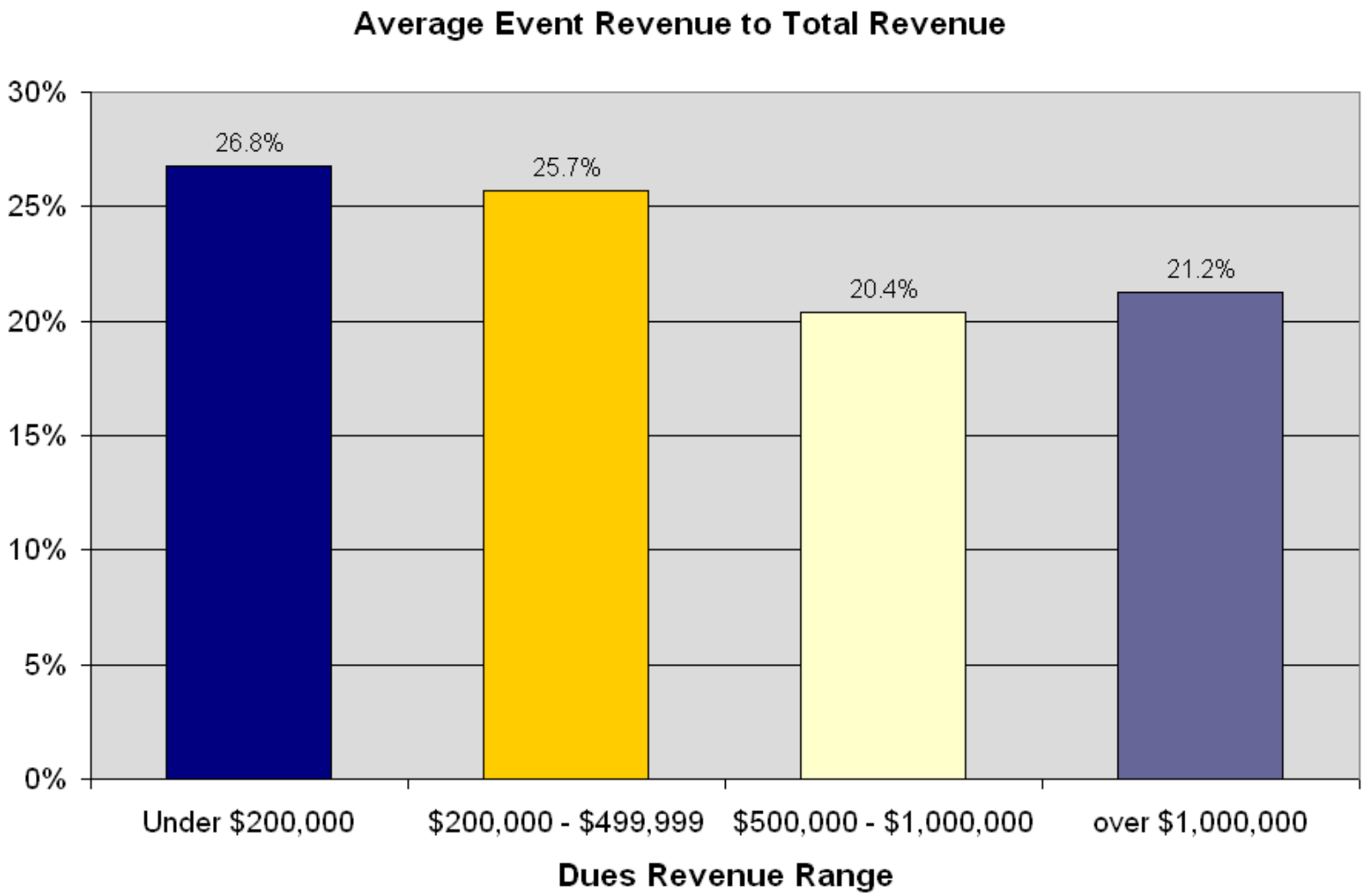
Much growth in sponsorship over the past decade

- Example: Indianapolis
- $180,000 to $800,000 in five years

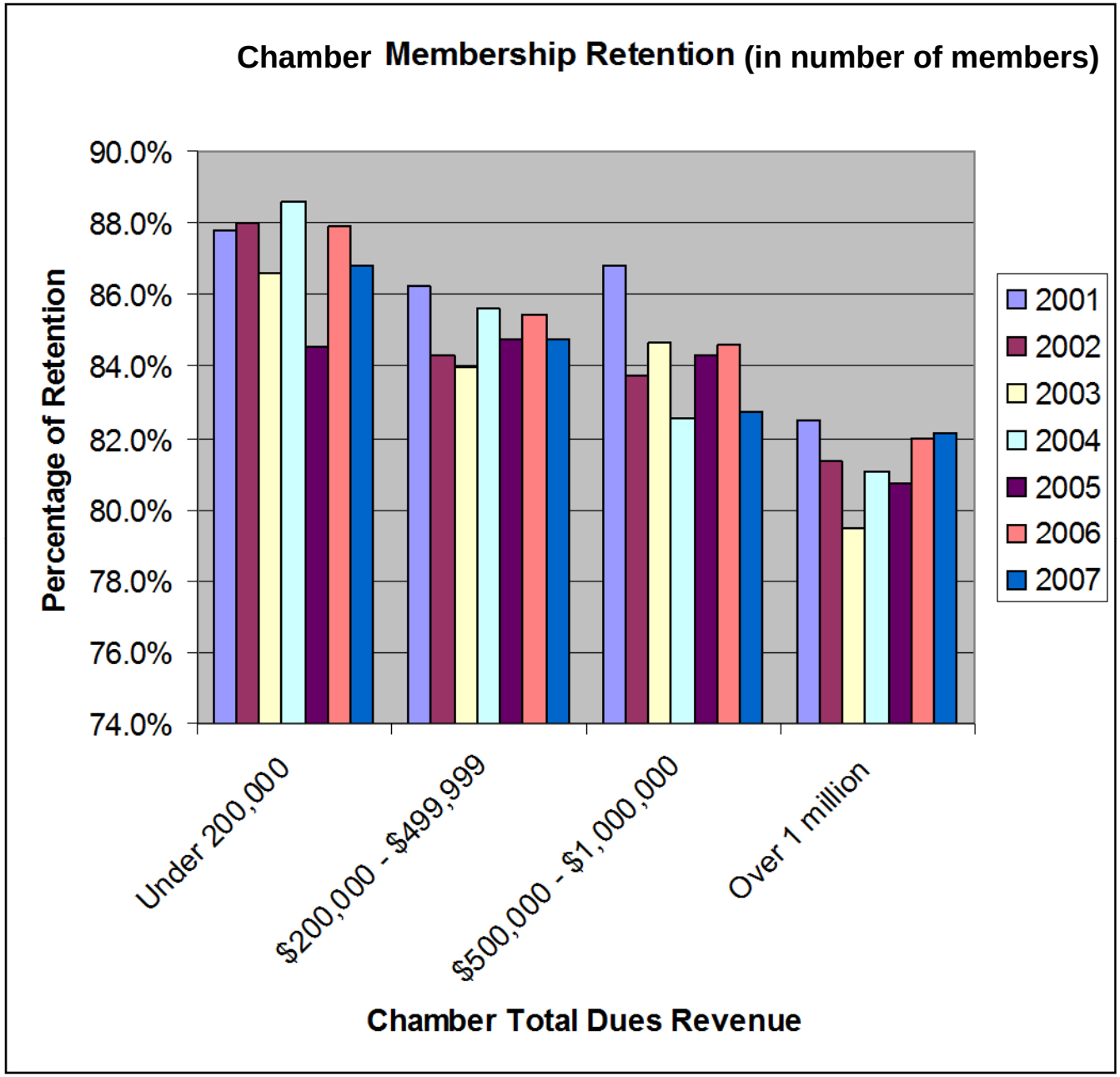
Recession Effects

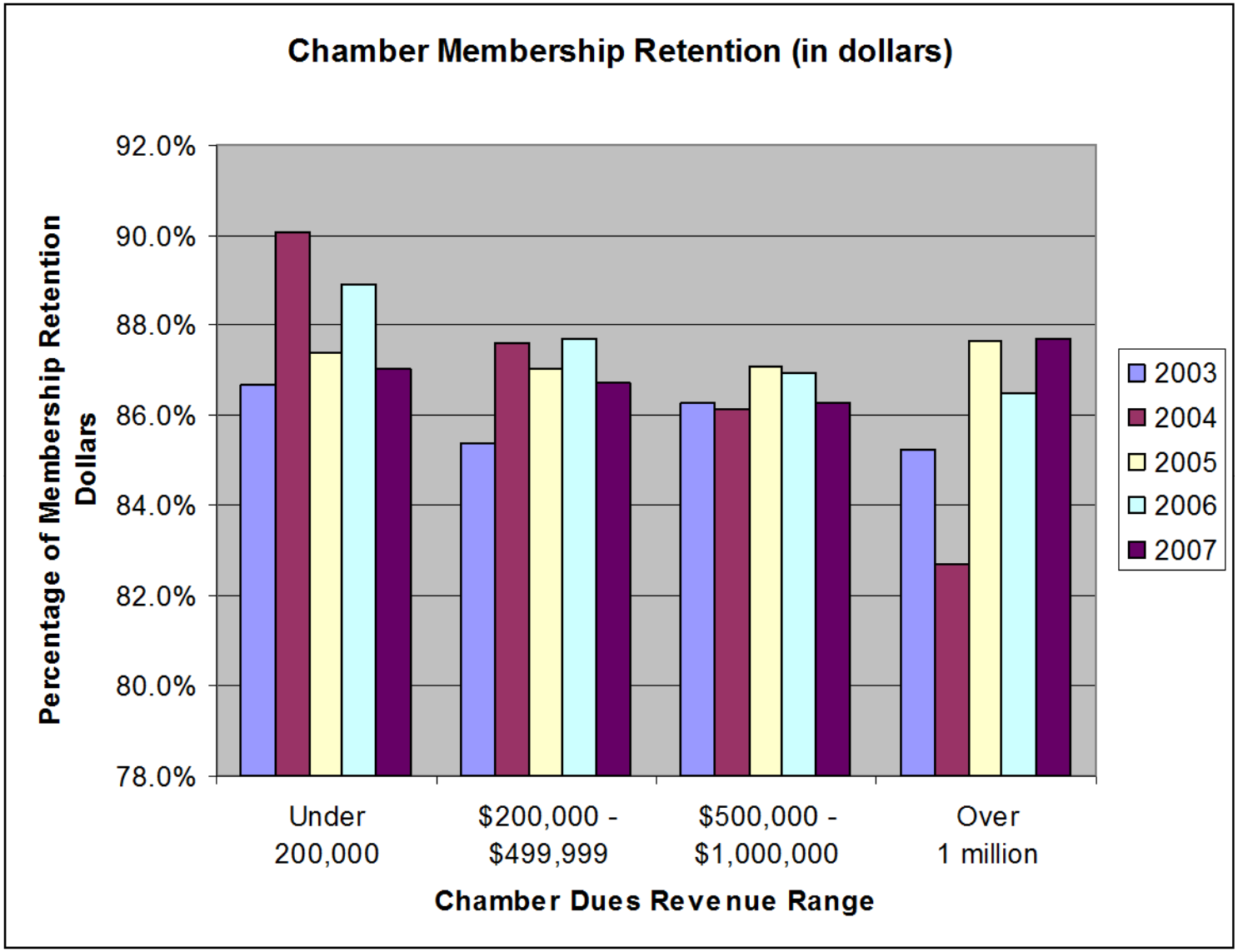
- Decrease in high-dollar sponsorships
- Increase in networking/volunteer activity

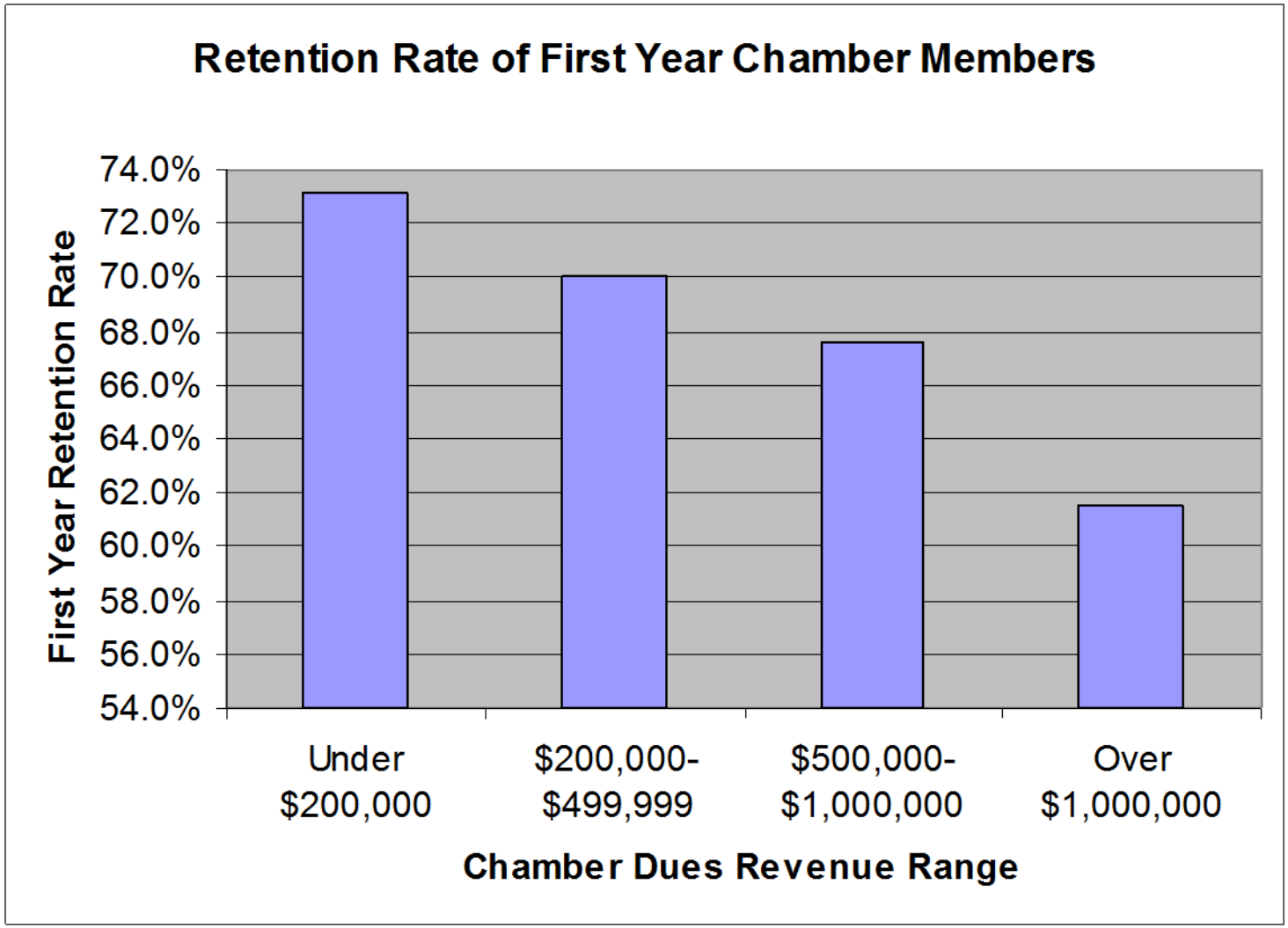
Events: A Significant Slice of the Revenue Pie



Membership Trends


Chamber Membership Retention (in number of members)
90.0%
88.0%
86.0%
84.0%
82.0%
80.0%
78.0%
76.0%
74.0%
Percentage of Retention
Under 200,000
$200,000 - $499,999
$500,000 - $1,000,000
Over 1 million
Chamber Total Dues Revenue
2001
2002
2003
2004
2005
2006
2007


Chamber Membership Retention (in dollars)
Percentage of Membership Retention Dollars
92.0%
90.0%
88.0%
86.0%
84.0%
82.0%
80.0%
78.0%
Under 200,000
$200,000 - $499,999
$500,000 - $1,000,000
Over 1 million
Chamber Dues Revenue Range
2003
2004
2005
2006
2007


Retention Rate of First Year Chamber Members
First Year Retention Rate
74.0%
72.0%
70.0%
68.0%
66.0%
64.0%
62.0%
60.0%
58.0%
56.0%
54.0%
Under $200,000
$200,000-$499,999
$500,000-$1,000,000
Over $1,000,000
Chamber Dues Revenue Range

Strategies for Coping with Recession

- Trimming staff
- Cutting optional programs
- Extra emphasis on retention
- Negotiations with members on dues
- Increased interest in affinity programs
- Small-company sponsorships
- Postponing capital campaigns
- Capitalizing on the basics of chamber value

Schapiro Group Study

Members of the public who think a company is a chamber member are:

-- 63 percent more likely to want to buy its products and services

-- 44 percent more likely to rate it favorably

And of all 2,000 respondents to the study:

-- 82 percent believe a local chamber “creates jobs and promotes economic development”

Study commissioned by ACCE and supported by IBM, Administaff, Small Business Network, and Market Street Services

Conclusion:

Financial Resilience of Chambers

Recession Slowing But Not Stopping the Rise of Non-Dues Revenue

Return to Core Value Propositions of Chambers

Thank you!

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