Stuck in the Web?
ASPs can build on-line presence

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The Internet can be a powerful tool for associations to drive membership, fundraise, engage in advocacy, manage events and communicate regularly with constituents. But most associations are not yet fully utilizing cyberspace, primarily because it takes staff with technical expertise and a substantial budget to create a robust, online presence for an organization.

Most member-supported groups have been purchasing Internet technology on a piece-meal basis to address single "point" needs. Common applications include technology for online donations, membership, secure member areas, event management, and content management. Associations historically have bought, installed and managed their systems with in-house staff, or hired outside technology consultants to create solutions and then make them work with installed systems and software. Robust solutions have commonly cost several hundred thousand dollars to deploy and have significant ongoing ownership costs.

Now, a growing number of associations are discovering the advantages of outsourcing their Internet operations to an application service provider (ASP). The ASP provides software services and applications over the Internet, accessible through a common Web browser. ASPs are proliferating across all sectors of the economy -- Gartner Group predicts the market will grow to $25.2 billion by 2004. A more efficient way of doing business and a smart option for small- to medium-size organizations with limited resources, the ASP model is "democratizing technology."

The Texas Dental Association (TDA) went the ASP route after its leadership and staff perceived a need to communicate more effectively with the organization's nearly 8,000 members. Although TDA's monthly journal and bi-monthly newsletter were well read, the group's Web site had limited functionality and was under-utilized for communicating with constituents, especially when outreach to younger dentists was becoming increasingly important. The new ASP-powered site, launched in May 2001, immediately enabled TDA to: provide more information on a real time basis to members and the public; recruit members and handle renewals online; wage advocacy campaigns to influence public policy; and conduct surveys on dentistry practice issues. TDA recently used its new survey functionality to solicit member input on wastewater issues for the American Dental Association and got a stunning 64 percent of surveyed members to respond (compared to typical single-digit response rates).

The ASP Advantage

An ASP solution offers clear advantages to associations. The ASP incurs the large, upfront capital investment of developing technology because it achieves economies of scale by serving many organizations. The association makes a minimal upfront investment -- basically just the costs of initiating service -- and then pays a monthly fee, which covers support and upgrades.

Additionally, a good ASP is continually updating and upgrading its hardware and software, eliminating the possibility of technical obsolescence. The ASP - not the association -- assumes the related costs and responsibilities. The association doesn't have to get bogged down in hiring and maintaining technical staff to install and run software upgrades. The association instead can focus on its core competencies and mission fulfillment. Moreover, because ASPs provide upgrades and maintenance via the Web, the upgrade process is not at all painful like traditional software upgrades.

Higher quality Web site hosting, data management practices and operations infrastructure are other significant benefits of partnering with an ASP. A strong ASP will: handle hosting and operations infrastructure; ensure data back up, redundancy and sufficient bandwidth; and provide state-of-the-art security.

Choosing an ASP

ASPs vary in the applications they offer, so it's important for an association to first determine the scope of its needs and then carefully evaluate each vendor's offerings.

An association that wants to communicate more effectively with members and prospects needs to have fresh, dynamic content on its Web site. ASP-provided content management tools enable non-technical staff to easily create and update content. Because people spend far more time in their email inboxes than surfing the web, an association must be able to efficiently reach out to them through email and bring them back to its website to view more content, or take action such as completing a survey, participating in advocacy or renewing membership.

To create a more unique and personalized experience for paid members, the association must be able to provide secure content pages, which require a password-protected login. Some ASPs offer personalization tools for tailoring content to constituent interests.

For associations running a lot of events, it's critical to evaluate online event coordination tools. Such tools allow you to present up-to-date calendars, send email-based invitations, collect online RSVPs and sell tickets.

Of course, many associations work to influence public policy and need tools for waging online advocacy campaigns. These tools empower an association to mobilize constituents quickly by sending out action alerts and enabling people to take action online.

A majority of ASPs offer "point" solutions, e.g., a set of tools for online membership programs or a set for advocacy or fundraising. Point solutions provide valuable, additive functionality, but create challenges in integration. Organizations going down the path of selecting piece-meal solutions are left with disparate solutions that don't talk to each other, necessitating manual procedures for sharing data.

Integrated solutions, however, allow an organization to work with fewer technology partners, and avoid the pain and complexity of tying together disparate solutions. Integration makes for a more seamless Web site interface for members as well as easier administration for staff and avoids data silos.

Partnering considerations

ASPs clearly are emerging as an important group of service providers for associations. As with any group of potential vendors, it's important to screen candidates to ensure selection of the best resource. Key questions to ask potential ASP partners are:

1. How are you funded and how much funding do you have?

2. What is the track record of your funding sources?

3. What is the track record of your management team?

4. What is your focus on, commitment to and expertise serving the nonprofit sector?

5. What kind of plans do you have for future product development (what kind of investment in research and development)?

6. What kind of service infrastructure does your company offer and who are your partners? Which service provider do you use for hosting data?

7. What service level guarantees do you provide?

8. What assistance beyond providing technology do you offer, e.g., technical support, consulting?

9. Who are your other clients, what types of results are you generating for them, what is the duration of their contracts with your company and how many have renewed or expanded their relationships with you?

10. What client references can you provide? The Internet can be a powerful tool for associations to develop and manage relationships with constituents. ASPs can provide fast, robust and cost- effective, high impact solutions. The association that carefully evaluates its needs and the qualifications of potential partners before making a selection is likely to achieve measurable results that will advance the organization's mission.

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