

2024 Member Level Profitability Analysis

Prepared Especially for the OneZone
Chamber of Commerce



Agenda

Methodology Overview

Data Cleaning

Profitability Summary

Results by Segmentation

Top Members (Most and Least) Profitable

Recommendations

Next Steps

69K

MRR

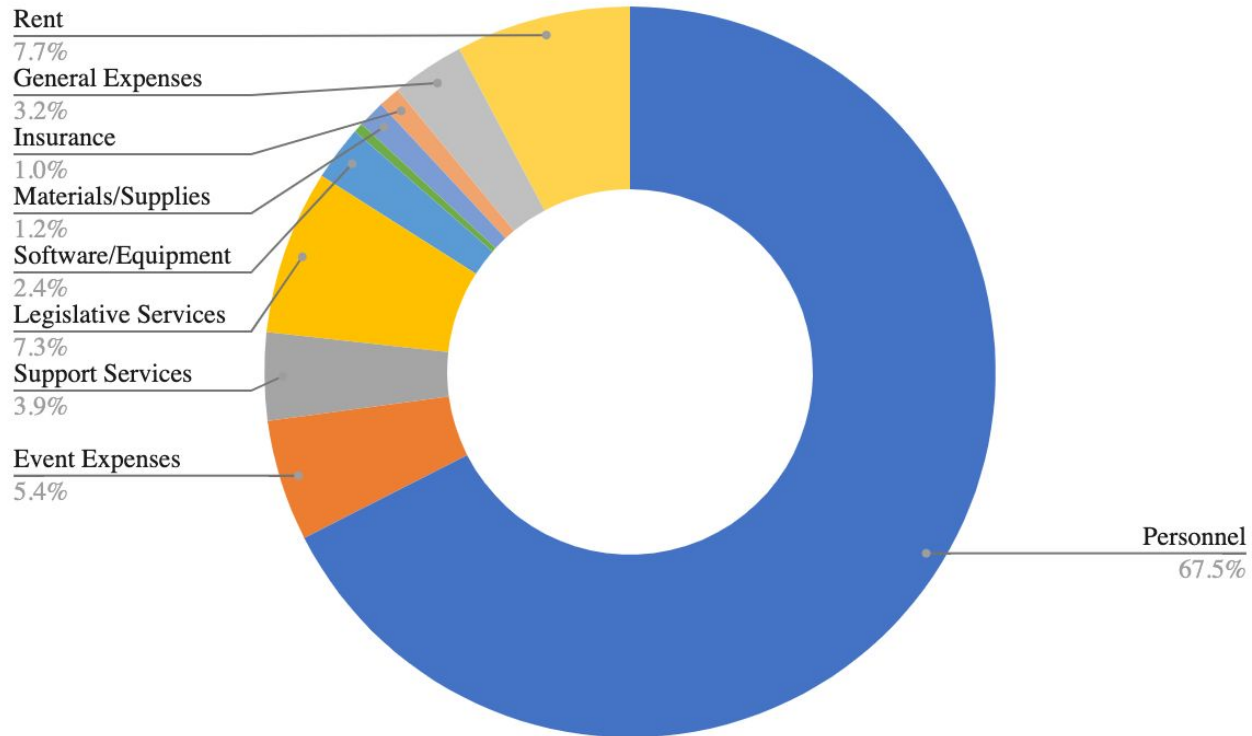
Methodology

Revenue is calculated on the number of days of earned revenue in the period (eg a quarter). For example, a member paying annual dues, would have 25% of their annual dues counted as earned revenue per quarter. Event revenue on the other hand typically happens over a few pays so 100% of the revenue is allocated to the period over which the event occurs.

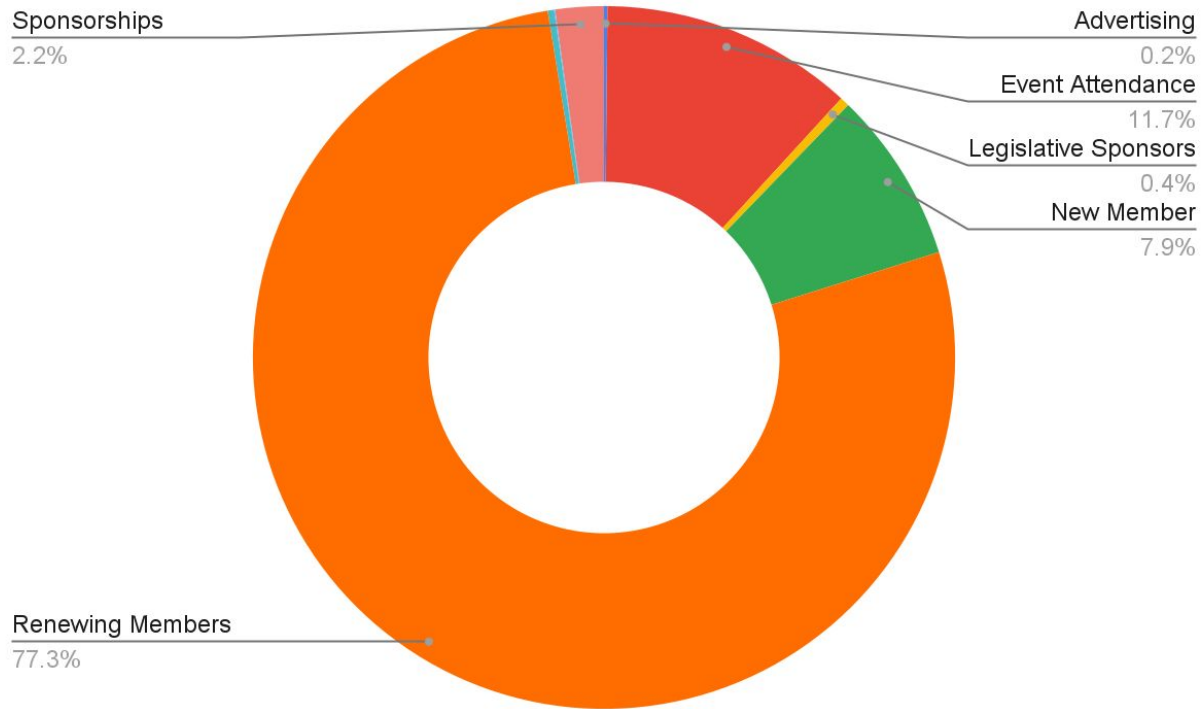
Expenses are calculated on a cash basis for the period (eg a quarter). Allocation is calculated towards specific revenue items where direct correlation is evident. Such as new membership sales personnel and expenses are assumed to contribute directly to new membership revenue. Personnel are allocated based on their specific role (eg new membership, events). Staff and other expenses without clearly identifiable revenue contribution efforts are all allocated evenly. For example executive director positions, finance, human resources, rent all benefit the membership and organization as a whole, and are distributed evenly.

Profit and Loss is done at a member level by analyzing all revenue streams members contributed to (eg membership, events, sponsorships) in a period. This member level profitability data is then aggregated within different views to provide data insights into profitability and loss intelligence.

Expense Distribution



Revenue Distribution



Results

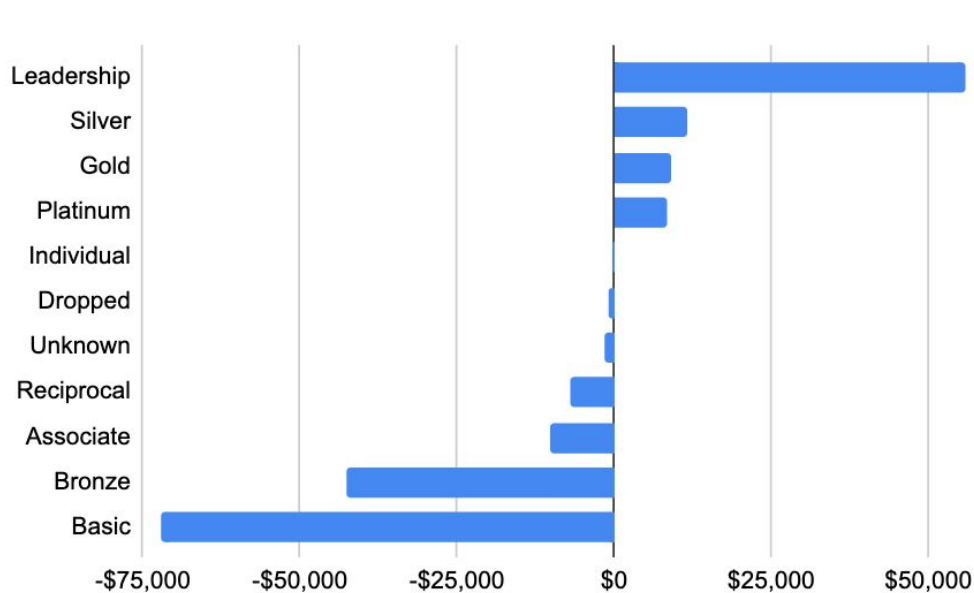
Profitability by Revenue Category

Category	Revenue	Expenses	Profit	Members	Profit/Member
Advertising	\$ 355	\$ 4,294	\$ (3,939)	1	\$ (3,939)
Event Attendance	\$ 26,354	\$ 28,349	\$ (1,995)	139	\$ (14)
Legislative Sponsorships	\$ 980	\$ 556	\$ 424	2	\$ 212
New Member	\$ 17,877	\$ 39,597	\$ (21,721)	40	\$ (543)
Renewing Members	\$ 174,753	\$ 183,027	\$ (8,274)	618	\$ (13)
Other Sales	\$ 666	\$ 3,382	\$ (2,716)	32	\$ (85)
Site Charge	\$ 100	\$ 3	\$ 97	1	\$ 97
Sponsorships	\$ 5,040	\$ 16,300	\$ (11,260)	9	\$ (1,251)
Grand Total	\$ 226,123	\$ 275,508	\$ (49,385)	738	\$ (67)

Revenue Summary

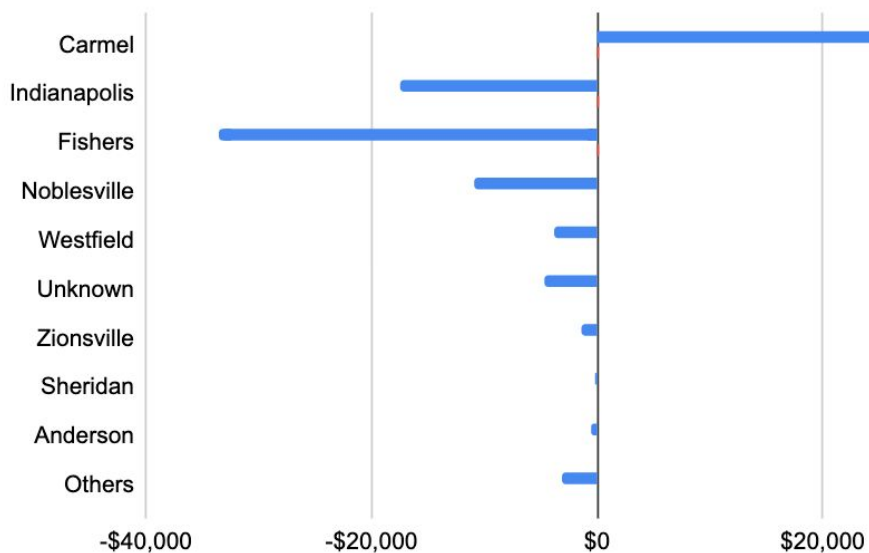
- Renewing Members 77%
- New Members 8%
- Events 12%

Profitability by Status



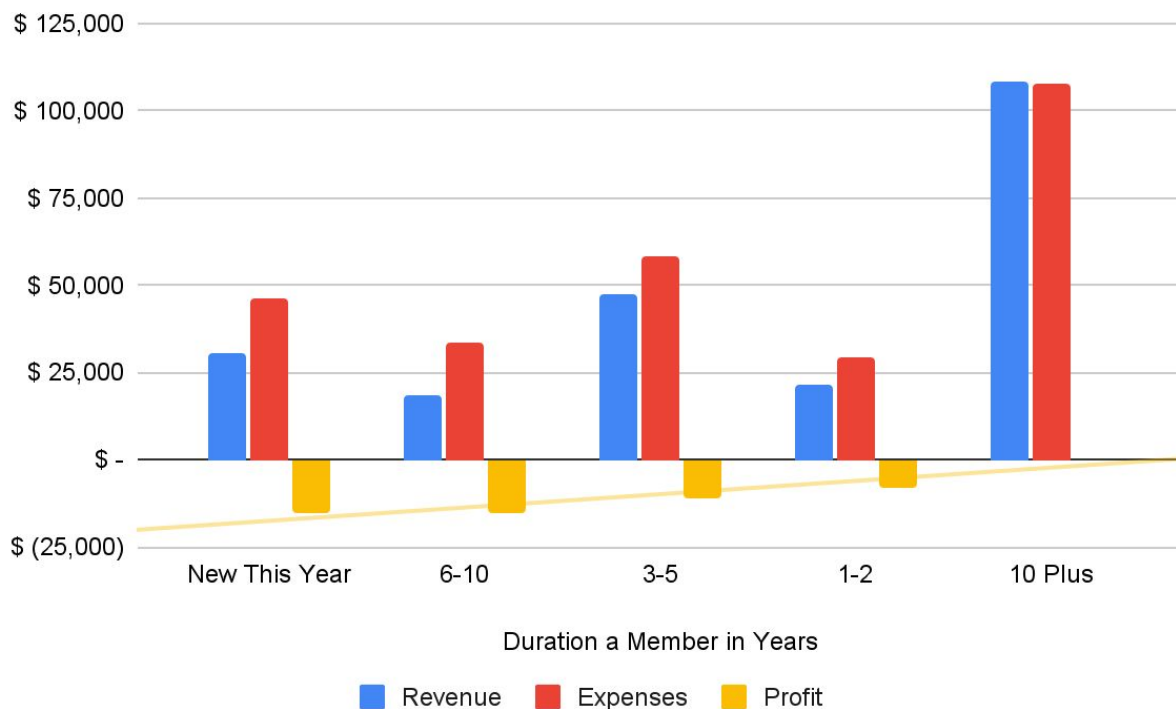
Profile Status	Profit	Members	Profit /Member
Leadership	\$ 55,948	20	\$ 2,797
Silver	\$ 11,675	82	\$ 142
Gold	\$ 9,192	32	\$ 287
Platinum	\$ 8,394	10	\$ 839
Individual	\$ (277)	1	\$ (277)
Dropped	\$ (717)	8	\$ (90)
Unknown	\$ (1,624)	19	\$ (85)
Reciprocal	\$ (6,869)	4	\$ (1,717)
Associate	\$ (10,276)	39	\$ (263)
Bronze	\$ (42,721)	216	\$ (198)
Basic	\$ (72,112)	307	\$ (235)
Grand Total	\$ (49,385)	738	\$ (67)

Profitability by Membership City



City	Profit	Members	Profit/Member
Carmel	\$ 26,095	240	\$ 109
Indianapolis	\$ (17,381)	197	\$ (88)
Fishers	\$ (33,590)	195	\$ (172)
Noblesville	\$ (10,837)	49	\$ (221)
Westfield	\$ (3,734)	13	\$ (287)
Unknown	\$ (4,649)	8	\$ (581)
Zionsville	\$ (1,444)	7	\$ (206)
Sheridan	\$ (221)	4	\$ (55)
Anderson	\$ (504)	4	\$ (126)
Others	\$ (3,121)	21	\$ (2,093)

Profitability by Membership Duration



Profitability Increases with Years of Renewal

Members 3 Years or longer make up 77% of Revenue

Members 10 Years or longer make up 48% of Revenue

Least Profitable by Category

Category	Profit	Revenue	Expenses	Members	% of Revenue
Retail/Specialty Stores	-\$15,392.64	\$1,202.15	\$16,594.80	9	0.53%
Marketing - Digital	-\$14,490.14	\$1,122.24	\$15,612.38	4	0.50%
Associations and Not for Profits	-\$7,432.89	\$2,360.20	\$9,793.09	31	1.04%
Unknown	-\$7,408.42	\$4,026.04	\$11,434.46	40	1.78%
Insurance Services	-\$4,335.71	\$6,045.95	\$10,381.66	24	2.67%
Advertising	-\$4,095.60	\$1,834.65	\$5,930.25	6	0.81%
Restaurants	-\$3,430.80	\$4,250.48	\$7,681.28	30	1.88%
Hotels	-\$3,219.69	\$2,295.90	\$5,515.60	17	1.02%
Senior Services	-\$2,829.43	\$1,235.33	\$4,064.76	8	0.55%
Government	-\$2,615.60	\$1,307.93	\$3,923.53	13	0.58%
Employment Services/Staffing	-\$2,510.20	\$1,187.14	\$3,697.33	8	0.52%

Make up less than 1% of Revenue

Most Profitable by Category

Category	Profit	Revenue	Expenses	Members	% of Revenue	% of Profit
Financial Services	\$18,541.74	\$22,345.79	\$3,804.05	14	9.88%	22.98%
Performing Arts - Theater/Dance/Music	\$18,211.32	\$19,249.87	\$1,038.55	3	8.51%	22.57%
Banks/Credit Unions/Savings and Loans	\$15,097.09	\$31,618.17	\$16,521.08	29	13.98%	18.71%
Physicians	\$6,173.15	\$7,982.05	\$1,808.90	6	3.53%	7.65%
Air Transportation	\$4,080.96	\$5,289.06	\$1,208.10	4	2.34%	5.06%
Business and Professional Services	\$2,912.08	\$4,795.42	\$1,883.34	5	2.12%	3.61%
Healthcare Services	\$2,286.99	\$5,190.15	\$2,903.16	10	2.30%	2.83%
Retail Banking	\$2,245.92	\$2,547.95	\$302.02	1	1.13%	2.78%
Furniture Store	\$1,747.60	\$2,052.88	\$305.27	1	0.91%	2.17%
Sports Teams and Clubs	\$1,702.46	\$2,705.96	\$1,003.50	3	1.20%	2.11%
Mortgage Companies/Brokers	\$1,217.03	\$3,161.65	\$1,944.62	6	1.40%	1.51%
Music - Instruments/Instruction	\$949.00	\$1,240.00	\$291.00	2	0.55%	1.18%
Attorneys	\$882.92	\$9,407.44	\$8,524.51	16	4.16%	1.09%

Top 10 Categories Make Up 45% of Revenue

Most Profitable Members

Profile Name	Profit	Revenue	Expense
The Center for the Performing Arts - Home of the Palladium	\$18,671.25	\$19,105.74	\$434.50
First Farmers Bank and Trust	\$9,996.75	\$10,000.00	\$3.25
NextGear Capital	\$9,996.75	\$10,000.00	\$3.25
Community First Bank of Indiana-Carmel/Indianapolis	\$7,386.89	\$10,863.32	\$3,476.42
Ice Miller LLP	\$2,344.72	\$2,500.00	\$155.28
Indianapolis Airport Authority - Indianapolis International Airport	\$2,252.92	\$2,554.95	\$302.02
Ascension St. Vincent Carmel Hospital	\$2,245.92	\$2,547.95	\$302.02
First Merchants Bank Carmel Banking Center	\$2,245.92	\$2,547.95	\$302.02
Forté Sports Medicine and Orthopedics Carmel	\$2,245.92	\$2,547.95	\$302.02
IU Health North Hospital	\$2,245.92	\$2,547.95	\$302.02

Current Market Share

	Members	Census	Market Share	Market Available
Hamilton Co	757	9847	7.69%	9090
Carmel	385	2957	13.02%	2572
Fishers	295	2078	14.20%	1783
Noblesville	49	1266	3.87%	1217
Indianapolis	197	15241	1.29%	15044

Market Share from US Census - for Employer Establishments <https://www.census.gov/quickfacts/>

Least Profitable Members

Profile Name	Profit	Revenue	Expense
BoxCrush	\$ (14,467)	\$ 239	\$ 14,706
Fishers District	\$ (14,348)	\$ 93	\$ 14,441
The Purple Guys	\$ (4,718)	\$ 96	\$ 4,814
Paluxy Media	\$ (3,939)	\$ 355	\$ 4,294
Hamilton County Farm Bureau	\$ (2,482)	\$ 573	\$ 3,055
CarePatrol of North Indianapolis	\$ (1,635)	\$ 186	\$ 1,821
Duke Energy	\$ (1,158)	\$ 958	\$ 2,116
Spectrum Business	\$ (930)	\$ 891	\$ 1,821
Ivy Tech Hamilton County	\$ (733)	\$ 231	\$ 964
Haranlaw	\$ (721)	\$ 109	\$ 830

Recommendation

Target Profitable Business Segments for Growth

- Financial Services/ Banking/ Brokerages
- Hospital/Health Care/Physicians
- Professional Services/Consulting/ Attorneys/CPA's
- Health and Wellness/Spas/Fitness
- Coworking Space/Office Space Rental

Focused marketing plans on the Target business segments.

Doing this should result in a 15-25% growth on a dollar basis and 10% improvement in positive margin (EBITDA) in 2024

Additionally, these segments retain at a higher rate, which will reduce retention pressure in 2025

Next Steps

Research and Campaign Launch

- Build prospect list in targeted segments
- Gather references and testimonials from members in targeted segments
- Develop marketing collateral and website landing pages for ICP
- Develop 30-day Outbound campaigns
- Fine tune campaign and messaging as needed weekly
- **Setup in office Dashboard to show progress and celebrate successes!**