

SELF GENERATED REVENUE STREAMS AND DIVERSIFICATION OF REVENUE

1

Define levels of revenue required, sources of revenue available, and management of revenue development process

- The management of the revenue generation process needs to be a key tenet of Board and senior staff activity.
- There needs to be clear expectations developed in respect to the roles and responsibilities of individual Board members for revenue generation.
- The Board needs to manage the set up of sub-committees with revenue and fund-raising responsibilities (including):
 - Fundraising Committee
 - Alumni Committee (fundraising element)
 - Membership Fee Review Committee
 - Events Committee (non-technical)
- The Board has to determine the cost of providing services to the membership (based upon membership expectations), and build revenue requirements on that cost.

2

Determine annual revenue expectations (realistic)

- Determination has to occur at the Board level – based on input from Staff and Committees.
- Determine the scope of revenue opportunities that are realistic.
- Determine the cost of revenue development (as a percentage of ROI).
- Determine cost of sponsor/event support and servicing to generate net revenue.
- Determine partnerships required (internal/external to the association).
- Determine revenue and expense sharing formulas for programming partnerships.

Types of Revenue Development Opportunities

i) INTERNAL

(Note: Revenue Development detail, and examples of best practice, will be collated into the "Collective Wisdom" website to be launched in November 2011)

- **Membership Fees**
 - Determine a process to set fees based upon agreed revenue formula
 - Fee categories – are they "Fit for Purpose"? Are there other opportunities for membership categories that can generate revenue (not necessarily voting membership categories)?
 - The NSF controls the membership list/database – do you have strong policies in place in respect to sharing the list/database (both internally and externally)?
- **Athlete Fees**
 - Extra fees for program involvement
 - Athletes help finance the development of the sport
 - Athlete fees to offset specific programme costs
- **Insurance**
 - Sell at a profit
 - Create a menu of extra coverage (optional)
- **Event Fees**
 - Profit margin built in
- **Tax Donation Programme**
- **Alumni Programme**
 - Use athlete/coach "role models" in all revenue generation initiatives
 - Develop regional chapters (with volunteer coordinators) – initiate special projects
- **AGM**
 - Auctions
 - Extra-curricular events (profit margin)
- **General Fundraising**
 - Individual Board member commitments
 - Specific fundraising schemes linked with clubs
 - Personal estate-giving initiatives (work with lawyers right from the start)
 - Personal life insurance programmes
 - Casinos
- **Competitions/Events**
- **Training/Certification Programmes**
 - Coach/Official/Learn to/Safety,etc
- **Foundations**
- **Merchandise Programmes**

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Types of Revenue Development Opportunities

ii) EXTERNAL

(Note: Revenue Development detail, and examples of best practice, will be collated into the "Collective Wisdom" website to be launched in November 2011)

- Event Marketing Partnerships
- Event collaboration with other NSO's
- Merchandising and Sport Image initiatives (ie: iphone "app")
- Business cash-back initiatives (hotel, travel, credit cards, etc)
- Hosting International events
- Direct Marketing (to general public)
- General sponsorship and "for profit" business opportunities

4

Action the revenue development process

- Determine lead personnel and roles within the association (and accountability processes).
- Determine the need for external agency or partner involvement in the process.
- Determine internal partners, and required agreements.
- Determine links with other sports/external partners.
- Create an incentive fee for staff/members for ideas that are implemented.