

Increasing Your Grange's Value Proposition



A 5-step program
to add value to your
Grange



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The Meaning of VALUE



Of all of the Help Guides we have published so far, this one on creating value may be the most “unusual.” We offer this notice because when we think of value we most often think of either the price or cost of something or we think of values meaning the guides we use to live our lives. In this Help Guide, we do not mean VALUE in either of these connotations.

Let’s look at an example. The other evening while shopping at Sam’s Club for a special dinner, we noticed a very large but expensive roast of beef. It was larger and more expensive than we were accustomed to purchasing and we were not sure we should pay the price. However, because we were celebrating a special occasion with friends, we made the purchase.

After the dinner was finished, we noticed we had quite a nice portion of the beef left over, enough for hot beef sandwiches the next day and a sandwich later on. Now, some could say we purchased too much beef to begin with, but when we looked at how many different meals we were able to enjoy from one purchasing decision, we looked at our choice and said we made a “value purchase” and that the additional meals were “value meals.”

Remember, we said that value had little to do with price? How can that be when we use price, or more correctly cost, in this example? Well, price is one way to determine the value proposition. Remember, if we paid \$24.00 for our very large selection, but we fed four people a wonderful dinner, had enough left over for two hot beef sandwiches and enough for at least one sandwich later on, we could say we had 7 meals from one \$24.00 piece of beef. We could also say that the meat portion of each meal averaged only \$3.43, and that is a real VALUE.

We want to look at value and your value proposition in both this as well as in a slightly different way. First, let’s look at what we got MORE of: more meat, more quality, more servings, better flavor, greater variety, and more enjoyment.

Now let’s look at what we paid for what we received. We paid MORE than we would have had we purchased a less costly cut, less size, and possibly less quality. In fact, we paid LESS at Sam’s than we would have at our local grocery. In fact, almost all products carried by Sam’s Club are less expensive than elsewhere, although you typically need to purchase more quantity.

Now let’s look at our decision another way. Let’s look at the VALUE PROPOSITION we enjoyed.

We got MORE and we paid MORE. However, as our final computations showed, we in fact, got MORE and paid LESS.

When we purchase a car from Saturn, we expect more for less. So MORE FOR LESS is one value proposition we have experienced as consumers and might consider for our Grange.

When we fly Southwest Air, and get no food and no advanced seating and have to stand in line twice, we expect we will not only pay less but also get less. The fact that they deliver us safely and on time and have convenient flights and courteous service and a host of other benefits, makes us suspect that they are not really a Pay Less and Get Less but a Pay Less and Get More, but that their real value proposition is MORE FOR LESS.

So how does this relate to your Grange and your value proposition?

The Four Value Propositions

Almost all enterprise, profit and not for profit, including organizations like the Grange, offer one of these four value propositions. The examples of each value category we have selected below are not “official,” but we suspect you will agree with these selections and will add others that are more specific to your location and shopping preferences:

More for More Starbucks, Mercedes, Jaguar, Nordstrom, BMW, Saks

More for Less Home Depot, Sam’s, Lowe’s, Office Max, Priceline.com

Less for Less K-Mart, Ames, Dollar

Less for More (All examples just went out of business)

Where Does the Concept of a Value Proposition belong in Grange?

In order to begin to answer this question, we need to look at what members expect for their membership in Grange. Certainly, the low annual dues most Grangers pay – typically less than \$25 per member – means they cannot expect a great deal. Or should they? At \$25 per year per member, it costs only \$0.07 per day and remember, many Granges charge less than \$25. So Grange is a “for LESS” part of the value proposition.

So it must be something besides the money. Let’s take a look at TIME. Most of us would agree that we have less and less free time each month. Typically, we have less than 5 hours we consider free each month. When we ask a member to become a Granger and to be active, how many hours of his or her time are we asking? If our meetings take up more than the time they have available, they typically resist and stop attending. If our meetings and Grange activities are exciting and fun, members will be willing to give more time even when they say they have none to give.

We all know active Grangers that give many more than 5 hours each month.

Research shows that 68% of American adults spend 5 or more hours a day in front of the TV—even higher for some kids. Even the worst shows have some professional entertainment factor or they would not be on the air. So you could come to the following conclusion:

Our Grange value proposition has to be higher (better) than the worst show on TV if we are going to attract those members away from the TV and into our Grange. If not the TV, then whatever these potential members find of value.

When we add programs our members consider worth their time, when we add events that are fun, when we go places together, when we make good use of time, when we make joining meaningful and impressive, when we run our meetings impressively, when we have good leaders, when we communicate clearly and often, we add to the MORE of our value proposition. When we do not, we add to the LESS of our value proposition.

Grange leaders are in charge of their Grange’s value proposition and we hope that you understand the importance of a MORE FOR LESS value proposition.



An Action Grange Value Strategy

If we say leaders are in charge of creating the value proposition, then we need to look at what it takes to create the value proposition that will help your Grange grow. First, let's look at the four possible scenarios for value. Discuss with your leadership team what you consider the important characteristics of each of these propositions and list as many actual examples as you can for each:

More for More

More for Less

Less for Less

Less for More

Now that you have listed examples for each, see if your team will agree with the following. If you or they do not, please continue your discussion.

More for More Sounds like a winning strategy but not one we can implement at this time in our Grange. Might be worth striving for in the future.

Team Outlook

More for Less Sounds like a winning strategy. Sometimes we do this in our Granges now that we understand the value proposition. Certainly, we make it very inexpensive to be a member. This is a right strategy for most Granges.

Team Outlook

Less for Less What many Granges are guilty of today. We can only offer very little and we think we cannot charge more because we don't deliver. With dues so low, it seems impossible to give more. An interesting dilemma.

Team Outlook

Less for More It is hard to imagine this working. If we raised our dues and didn't offer something more we'd be doomed.

Team Outlook



What do members prize and where does it fit into value?



What an interesting question. The answer is pretty simple. If we know what our members PRIZE, what they consider important and valuable, and if we can “package” the solution in a way that is appealing, we can get them to not only attend and be active, but to recommend Grange to their family and friends.

Perhaps another example will help. You may be like many men and women who do their own home or farm renovations. If you do you know the importance of a Home Depot, Lowe’s, or similar establishment to be close by. When you need a new blade for your saw, a new tool for a special project, shelving for a new closet, or a host of other supplies, you have a place to shop. Why do so many people use the large warehouse suppliers like Home Depot and Lowe’s? The answers are simple.

- Typically, they have what we need in stock.
- It is conveniently displayed and easy to find.
- There are hundreds of other solutions to problems you might face.
- They stand behind their products.
- It’s usually quick and convenient.
- Parking is near by.
- The prices can be among the lowest.
- There is help when you need it.
- The hot dogs outside the front door are excellent.

So what do your members prize? The answer is not so simple, but there is plenty of data we need to consider. Here is how potential members responded when asked to list the important qualities of the organization they might join and where they would spend time. The total is greater than 100% because they included more than one feature.

95% of potential new members would join if they thought they would meet old friends, make new friends, and enjoy good fellowship.

85% listed first that they wanted an expanded role with their family, especially their children.

68% said they wanted their involvement to include an important and distinguished role in the local community.

50% said they wanted to belong to an organization that was well organized and well led.

It’s clear that Grange has a few potentially important member benefits if we can only get our leaders to understand that creating these benefits is among the most important tasks they have and a real way to improve their value proposition.

Enough Reading. Time to Get to Work.

Your job with your team is to take what you have learned and put it to work in your Grange. Here is the assumption.

Your Grange has determined that it needs to be a more for less organization. You know how to get the “less” part of that equation; you need to get the “more.” Therefore, you and your team need to define the ways in which your Grange can create more value for your members, create a competitive opportunity when compared with TV, and offer members a sustained reason for involvement.

Here are five value added additions to many Grange programs or events. Study each and ask your group to evaluate each opportunity for your Grange.

1. Agree to offer four member-focused events during the next year that are 100% improved over the last or similar event. One for the family, one for the men, one for the women and one for children.
2. If your membership is sizeable, you could try to find merchants in the town or area where you live to offer special discounts to your members. This could be in select areas related to farming or agriculture, or it could be in bulk purchases that benefit most of your members.
3. Many members feel that their Grange needs to be more proactive in the community on critical issues. Identify one or two of the most critical issues that relate to members and how they live in the community and take aggressive actions to promote change in this area either through the local government or the state legislature. It may be that your Grange wants to create a partnership with other Granges in the area or with other community-based organizations. When Grange does this, the people in the town know you stand for something that benefits everyone.
- 4 . Grange families, like most American families, will have difficulty in putting even a single child through college. Grange members have said that anything the Grange could do to help cover part of the expenses of college would be helpful. It would be important if your Grange could establish a Grange members college fund and ask members and non-members to support excellence in learning by contributing. This would definitely be a more for less proposition.
5. Making members’ lives easier would be a unique and important value proposition. This could be done in a number of ways. Your team may need to develop the specifics for your membership and your Grange, but we believe that there must be 25 ways in which we can make it easier to live in your town. Put your team to work and see what you can develop.



Summary

Hopefully you found this discussion interesting and helpful. If you would like to discover more, see *Win the Value Revolution* by Robert Tucker, Career Press (1 800 career).

Here are a few ideas consultants who work with organizations and their value propositions say that you should keep in mind when having your team discussions on Value and your Grange.

- The ultimate strategy for any organization is to create a More for More organization. Members receive more (value) and they also pay more. Smithsonian, Nordstrom, and Mercedes are examples. Granges need to spend more effort in this direction. Imagine what you could accomplish if family dues were \$ 125+ and you provided the requisite Value.
- Less for less organizations almost always fail. We need to watch this carefully because some of our Granges come close to being less for less. K-Mart may not appreciate being included here, but their less for less strategy included less of almost everything – including customer service – and look what happened.
- The MORE part of the proposition almost always relates to TIME when we are considering member-driven organizations. Benefits like special discounts or affinity marketing help create the more effect, but how we use TIME is critical. Your Grange may want to actually begin here with a time audit and pay attention to the time the audit may show you waste.
- Reducing the costs of membership is not a winning strategy. Increasing value is almost always a winning proposition. This is a tactical issue of building value and then adding to the costs of membership. Start small and build from there.
- When we speak about improving the products of Grange, fellowship, social contact, community involvement, we are increasing the value proposition because that is what our members want. Discuss with your Grange team the “products” of your Grange. Don’t be surprised if some members say that offering “products” is not what Grange is about. Products do not have to be material items. “Products” can be fun, fellowship, information, entertainment, etc.
- The value proposition needs to be ingrained in our vision of the future of our Grange. When we complete the expression, “I see my Grange in the year 2004 as a place where...” *we need to have the part we complete loaded with Value!* Surprisingly, you may not gain as much as you might imagine by asking your members to define future value. Remember, if they are stuck in the current paradigm, they like the Grange the way it is and may even have gotten good at ways to waste time.
- Finalize your understanding by completing the following: If we were going to sell our home, we would first look at what we have and then look for ways to make it more valuable and attractive. (You may want to discuss the ways to do this before going to the next point.)

Imagine that you are getting ready to “sell” your Grange to a new member. What concrete steps would you take to increase your Grange’s VALUE? List the work to be done here or on additional paper. Good luck and great Valuing!

The Five Steps to an Improved Value Proposition

We promised you in the beginning that we would show you a pathway to adding value to your Grange. Remember, value is in the eyes of the beholder, so what we present here will be through the eyes of potential members and not necessarily through the eyes of the established, active Grange members.

Step 1 Recognize that creating value for your Grange is the leader's most important job. It's easy to say "I'll delegate this to a team or a committee." Not so fast. Only the leader, with a vision for the future and the courage to pursue the dream can build a valuing process into the actions of the Grange. This will represent change for most Granges so get ready for some important discussions.

Step 2 Understand that the MORE part of your value proposition needs to be concrete and specific. Vague generalities just won't do. Here is where time plays an important part. When you ask a member to contribute time to your Grange, there needs to be an exchange of value. "My time for something I like."

Step 3 Creating value is not rocket science. When we give our time to an organization and expect value, we do not need a huge meal or even a pat on the back (although that might help) what we want is part of our human need. We want to feel as if we are part of something bigger than we are. We all want to feel needed. We want to have a voice in the action. We want to enjoy good fellowship. We want to make progress and get things done and we want to meet and make new friends. Give members these values and your value proposition is secure. By the way, you probably do not need to add one penny to your operating budget.

Step 4 Make valuing a part of your future plans. Not everything you want to do can be done in the short term. Some value proposition may take longer. It will take several years to be able to help families with needs like college scholarships. So, build the value proposition into your planning activities.

Step 5 Ingrain your Grange's value proposition into every activity for your Grange. When you build a team or committee, when you begin a community activity, when you plan something for your members, when you have a family night or new-member open house, make sure that the team leader adds the value proposition for your Grange into the goals for that team. Typically, insist that the team consider these questions:

- *How will our members or participants view the importance of what we are planning?*
- *What concrete steps can we take to make the event even more special?*
- *How have we used (not abused) the time we are asking our members/participants to give?*
- *How is the price/cost related to the actual value?*
- *How will we successfully evaluate the results of our value proposition?*
- *What steps could we take if we wanted our value proposition to be More for More?*

