

The Vancouver Aquarium: A Business Case

A Proposal to Generate Revenue by Increasing Family Membership Purchases

Prepared in April 2015 by:



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Executive Summary

The Vancouver Aquarium (VanAqua) is a public aquarium that operates in Vancouver, British Columbia, as the largest aquarium in Canada. A subset of its target market consists of BC resident households with children aged 0-14, with an income exceeding \$50,000 annually. This report identifies the opportunity for the organization to stimulate sales of family memberships, a more lucrative revenue stream than one-time ticket sales. The following document assesses the possible courses of action to achieve a goal of increasing family membership sales by 10% from 2014's projected 15,000 memberships sold to 16,500 memberships. The estimated revenue generated from this objective is \$300,000.

The alternatives considered are as follows:

1. Business as usual (Status Quo)
2. Decreasing the price of family memberships
3. Revamping the family membership program
4. Launching an advertising campaign to promote family memberships
5. Implementing a contact strategy with a public contest
6. Hiring VanAqua brand ambassadors

Each criteria was measured based on its ability to fulfill financial justification, improve membership experience and public reputation, directly drive sales of memberships, and minimize financial, operational, and reputational risks. Collectively, these criteria ensure that the alternative selected enhances VanAqua's brand and is economically sound.

Upon evaluating each of these alternatives in depth, it is recommended that VanAqua proceed with a two-pronged approach: enhancing the membership program with new incentives, in tandem with the promotion of these new benefits. Both alternatives can be implemented within the proposed budget of \$200,000 and with a positive ROI of approximately 1.5. The chosen alternative can be implemented using a four-stage process. In the first stage, current members are surveyed to determine the most popular membership perks. Next, the advertising campaign is conceptualized and VanAqua reaches out to corporate partners to begin negotiations over their involvement. In stage three, the events launch and the organization actively collects attendance and satisfaction data according to the key performance indicators specified. In the final stage, at year-end, performance reviews of all events occur and the executive team decides whether to continue implementation in the next fiscal year.

Good summary

Company Background

Company Description and Governance

The Vancouver Aquarium, located in Vancouver, British Columbia, is a non-profit organization that has been operating for more than 50 years (Vancouver Aquarium History, 2015). After gaining \$100,000 in funding from each the municipal, provincial, and federal governments in 1956 (Vancouver Aquarium, 2015), the aquarium was founded on the principles of providing excellent animal care and a unique educational experience. Today, it is the largest aquarium in Canada and serves as a major tourist attraction, an organization dedicated to marine research, and a champion of marine conservation.

As a public entity, VanAqua has a senior management team led by CEO John Nightingale and a board chaired by Janet Landucci (Vancouver Aquarium History, 2015). The organization's operating premises at Stanley Park belong to the City of Vancouver and are leased for \$40,000 annually. Provincial and national governments also continue to provide funding for the aquarium, with over \$25 million contributed to its facility expansion in 2010 (Vancouver Aquarium gets funding infusion, 2010).

Target Market

VanAqua's target market can be broadly categorized into two mutually exclusive groups: national or international tourists and BC residents. Given the project's objective of increasing family membership sales, the focus will be on the second group. Specifically, the chosen target market is families with children, aged 0 to 14 years, living in BC, with a household income greater than \$50,000 annually. Table 1 quantifies this target market.

Table 1: Vancouver Aquarium's Target Market

BC families with children	698,360 households
BC families with children aged 0 to 14 years	322,950 households
Percentage of BC families in the low income bracket	19.86%
BC families with children aged 0 to 14 years in the low income bracket	64,138 households
BC families with children aged 0 to 14 years not in the low income bracket	258,812 households

Source: (Statistics Canada, 2013)

There are approximately 259,000 households in the chosen target market. This is a viable market because the aquarium is known to provide a family-friendly atmosphere, with activities appropriate for entertaining and engaging young children. The target market resides in BC because purchasing a membership implies the intention to visit several times annually, which is more financially feasible for those living within the province. Finally, a family membership costs \$185 each year. Target market families must have enough disposable income to engage in recreational activities, which justifies a household income above \$50,000 annually.

It is important to note that for this particular demographic, the parent(s) or guardian(s) are the purchasers, while the children of the household are powerful influencers. [Good point](#)

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Comment [1]: Rather than just the lower mainland?

Problem Identification

The Vancouver Aquarium has the opportunity to stimulate the sales of family memberships, which provides a more lucrative revenue stream than one-time ticket sales. As seen in Table 2 below, VanAqua generates approximately twice the revenue from a family membership purchase versus a single visit from a family of three.

Table 2: Pricing Structure for the Vancouver Aquarium

	Child (4-12 years)	Youth/Student	Adult	Senior	Family
One-Time	\$15	\$20	\$29	\$20	
One-Year Membership	\$40	\$50	\$70	\$50	\$185

Source: (Vancouver Aquarium Tickets, 2015)

Membership perks include fast track admission, Super Saturdays, in which galleries open an hour earlier for members, and member holiday parties (Members Only Events, 2015). Within reasonable constraints, each of these members' events can accommodate higher attendance without additional variable costs. For example, during Super Saturdays, the aquarium already opens early for existing members at an increased step-fixed cost. There are no significant variable costs attributable to an additional family attending the event. In other words, the aquarium has the opportunity to generate greater cash flow from increased family membership sales, without incurring additional variable costs for existing events. Table 3 illustrates one-time visitor and membership growth from 2011 to 2013.

Table 3: Growth of One-Time Visitor and Membership Revenues

	2011 to 2012	2012 to 2013	Cumulative
One-Time Sales	6.23%	4.45%	10.95%
Membership Sales	-0.28%	5.74%	5.44%

Source: (2013 Annual Report, 2014), (2012 Annual Report, 2013)

While one-time revenues have grown 10.95% cumulatively between 2011 and 2013, membership revenues have grown only 5.44%. This sets the stage to generate greater revenues by growing family membership sales.

Project Goals

This project's objective is to identify and outline a feasible and effective recommendation to increase family membership sales by 10% from 2014's projected 15,000 memberships to 16,500 memberships (see Appendix A), thereby increasing revenue by approximately \$300,000.

Project Assumptions

This project's key assumptions are as follows:

- a) A 10% increase in membership is within reasonable constraints, such that the aquarium can accommodate the increased attendance at existing members' events without an increase in step-fixed costs,

- b) The budget is \$200,000, a reasonable amount as it represents 10% of the marketing and public relations expenditures and would result in a positive ROI, and
- c) The resources necessary for the implementation of the recommendation are available.

Project Constraints

Budget Constraints

As a non-profit organization, the Vancouver Aquarium relies heavily on donations and government grants, in addition to operating revenues. As VanAqua has limited resources, this project's budget is assumed to be \$200,000 or approximately 10% of marketing and public relations spending.

Recentness and Availability of Information

The Vancouver Aquarium releases annual reports detailing project updates and key leadership and financial information. However, the latest reports detailing 2014 operations have not been released, making it difficult to obtain updated information. It is also difficult to measure the exact returns on several of the alternatives described. Estimates have been made using data from other aquariums and various online sources. For example, because 2014 data is unavailable, membership sales have been projected in Table 5.

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Comment [2]: grammar

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Comment [3]: 2013 is plenty recent enough

Methodology

The table below outlines the criteria used to evaluate each proposed alternative:

Table 4: Key Criteria for Evaluating Alternatives

Key Criteria	Explanation
Financial Justification	An assessment of whether the alternative meets the specified budget of \$200,000 and generates a positive ROI.
Membership Experience	An assessment of whether the alternative provides members with <i>better</i> service and a more memorable experience. This may be evidenced by feedback ratings after visits and the frequency of visits.
Public Reputation	An assessment of whether the alternative aligns with the aquarium's values of caring for animals while connecting with the public. This may be evidenced by whether positive brand associations are created.
Membership Sales Driver	An assessment of whether the alternative <i>directly</i> increases sales of membership from 15,000 members to the specified goal of 16,500.
Risk of Failure	An assessment of whether the alternative has minimal financial, operational, and reputational risks, and therefore a higher likelihood to succeed.

Collectively, these criteria ensure that the alternative selected enhances VanAqua's brand and is economically sound. Each alternative will be ranked against each key criterion, on a green, yellow, red scale. Green represents that the alternative fulfills or exceeds the criteria, yellow represents that the alternative partially fulfills the criteria, and red represents that the alternative fails to fulfill the criteria.

Alternatives

1. Status Quo

An argument can be made that the aquarium's current operations are sustainable for the future. VanAqua has built its brand on being the largest aquarium in Canada (Vancouver Aquarium History, 2015). With size comes the ability to deliver novel experiences and create positive brand associations, with initiatives being hailed as "innovative" and industry leading in the Vancouver Sun (Crawford, 2014). For example, other Canadian aquariums do not offer projects like VanAqua's AquaVan Program, which brings live animals to local communities.

The organization has built partnerships with local schools to educate and non-profit organizations, like the World Wildlife Fund, to advertise conservation events (Vancouver Aquarium Research, 2015). Partnerships have provided promotional opportunities and have reinforced VanAqua's dedication to education and environmental protection. The Status Quo success is evidenced by VanAqua's record attendance of 1.05 million visitors in 2013 (2013 Annual Report, 2014).

However, VanAqua's latest financial statements show that in 2013, the organization reported a loss of \$209,000 (2013 Annual Report, 2014). Analysis determines that a contributing factor to the loss is the volatility of membership sales year-to-year (see Table 3), which impedes the organization's ability to forecast sales, affects the provision of resources, and ultimately impacts income (Rotenberg, 2013). The Status Quo alternative would result in a continued reliance on donations or government grants, which are subject to strict requirements and public scrutiny. Consequently, the opportunity cost of forgoing an estimated \$300,000 in organic revenue is magnified.

Benefits	Costs
<ul style="list-style-type: none"> • Diversity of existing offerings establishes the aquarium's reputation as an industry leader • Sustainable partnerships with schools and non-profit organizations provide positive public exposure • As Canadians become more environmentally-conscious and seek educational entertainment, the aquarium becomes increasingly popular (Weeks, 2011) • At this time, Status Quo requires no capital investment 	<ul style="list-style-type: none"> • Existing net losses (\$209,000) make it difficult to pursue new projects and research, without additional government funding • Volatility of membership sales year-to-year make future cash inflows from this revenue stream unpredictable with high financial risk • Opportunity cost of \$300,000 in revenue generation from successful project to increase family membership sales by 10%

2. Decrease Membership Prices

Research has found that parents of young children are becoming more price sensitive (Krasselt, 2014), which may make decreasing family membership prices a compelling alternative to increase sales and generate revenue. Table 5 showcases historical changes in Vancouver Aquarium's membership prices, its impact on sales and revenue, as well as 2014 projections and predictions.

Table 5: Historical Changes in Vancouver Aquarium's Membership Prices

	2012	2013	2014 Status Quo	2014 Price Decrease
Price of One-Year Family Membership	\$138	\$155	\$185	\$175
Membership Sales	17,804 Memberships	16,761 Memberships	14,931 Memberships	15,541 Memberships
Rate of Change	-61 Memberships per \$1 Increase			

Revenues from Membership Sales	\$2,457,000	\$2,598,000	\$2,762,235	\$2,720,000
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Source: (Skelton, 2012), (Blumel, 2013)

Assuming the Rate of Change holds for higher prices and all other factors are held constant, the current price of \$185 for a Family Membership would generate \$2,760,000 in revenue. However, the price increase from 2013 to 2014 would result in 1,830 fewer members, with total annual family membership sales standing at approximately 15,000 (see Appendix 1 for calculations).

By decreasing prices by \$10, to \$175, VanAqua would see a 3% increase in membership sales, to approximately 15,500 total memberships sold. However, this option results in a \$40,000 decrease in revenue. Relying solely on price decreases to reach the entire specified objective of a 10% increase in family membership sales would require further and substantial decreases in price, at the expense of VanAqua's revenue goal.

Benefits	Costs
<ul style="list-style-type: none"> Cheaper fares appeal to price sensitive parents of young children Price decreases grow membership sales (\$10 decrease results in a 3% growth in membership sales) Lower prices increase accessibility and positive public perceptions of VanAqua's inclusion efforts 	<ul style="list-style-type: none"> Lower prices decrease revenue generation per membership and total revenue from all membership sales (\$10 decrease results in a \$40,000 revenue decrease from Status Quo) In order to fulfill the 10% membership sales increase objective, a substantial decrease (approximately \$25) is necessary A one-time price decrease creates expectations of further decreases or pricing stability, making it difficult to increase prices in the future without public backlash

3. Revamp Membership Program With New Events and Perks

VanAqua can revamp its membership program to include members-only events and perks that have been successful in other aquariums. In 2013, The Monterey Bay Aquarium and Georgia Aquarium in the US both reported increased membership sales. Monterey Bay saw a 10% increase in sales, with only a 5% increase in membership service costs (2013 Annual Review, 2014). Likewise, Georgia saw a 10% increase in sales, and a 2% increase in total revenue (2013 Annual Report, 2014).

The common benefit these aquariums offer that VanAqua lacks is members-only offerings catered exclusively to young parents, the primary purchasers of family memberships. These include various free or discounted perks such as an evening of wine tasting at the aquarium, sustainable cooking lessons in partnership with local restaurants, and child-care for events that take place at VanAqua. This makes a family membership the ticket to adult getaways, in addition to family entertainment. Offering incentives that suit the interests of the parents in Vancouver Aquariums target family demographic will increase the attractiveness of purchasing memberships to the actual purchasers.

Benefits	Costs
<ul style="list-style-type: none"> Sales from family memberships are expected to increase approximately 10%, as experienced at Georgia Aquarium, which has similar membership figures (lowers risk) 	<ul style="list-style-type: none"> New membership perks will increase membership service costs by \$200,000 (estimates made based on Georgia Aquarium figures):

<ul style="list-style-type: none"> • Net revenue gains: \$300,000 • Takes advantage of VanAqua’s many corporate partnerships with restaurants (Ocean Wise) and influential community members (chefs) • Costs increase can be mitigated by replacing less popular member events (Sneak Peak) with new targeted events • New offering provides a point of difference that is easily understandable and readily promotable through advertising 	<ul style="list-style-type: none"> • Cost to incentive corporate partners (restaurants, wineries, etc.) to participate in creating new membership offerings • Simply creating initiatives will not generate awareness, additional advertising is required (see Alternative 4)
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4. Launch an Advertising Campaign to Promote Memberships

The aquarium’s current advertisements focus on generating interest in the rotating exhibits featured (Lazarus, 2011). Instead, the organization can work with its advertising agency to create advertisements highlighting its membership program. These marketing campaigns can act to:

- Create awareness of the existence of the membership program, and
- Outline membership perks and value (pays for itself after two visits for a family of four). [good](#)

VanAqua currently retains Taxi Vancouver, an advertising agency, to create, plan and implement their marketing strategy. A example of a project is “The Secret World of Sharks and Rays” whereby billboards, posters, online videos and eye-catching structures were leveraged to capture the attention of local Vancouverites. The following table illustrates the rates for advertising mediums and their conversion rates.

Table 6: Rates for Advertising Mediums and Conversion Rates

Media	Average Cost	Customer Impressions	Purchase Conversion
Skytrain Advertisements	\$5000 (4 weeks)	100,000	0.15%
Billboards	\$2000 (4 weeks)	200,000	0.15%
Television (3rd Tier)	\$50,000 – \$250,000	500,000	0.2%

Source: (Average CPM’s, 2009)

It was reported that VanAqua has a \$1 million dollar marketing budget, most of which is spent on promoting the rotating exhibits (Lazarus, 2011). For this alternative, it is recommended that rather than draw from the \$200,000 project budget, VanAqua reallocate marketing budget from exhibit promotion to family membership marketing. It is assumed that VanAqua will utilize a four-week blitz marketing approach, to advertise memberships during two peak times: 1) A month prior to the start of the summer and 2) During the holiday season. Consequently, about \$320,000 will be spent on advertising memberships annually, and approximately 30% of the current marketing budget would be reallocated.

Benefits	Costs
<ul style="list-style-type: none"> • Taxi has been recognized by the media for creating innovative and effective campaigns for VanAqua • Assuming above conversion rates hold true, the 	<ul style="list-style-type: none"> • This alternative creates an approximate opportunity cost of \$320,000, which could have been used to advertise rotating exhibits • The success of this alternative relies heavily on

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Comment [4]: where does the other 70% come from?

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Comment [5]: this is the current spend?

<p>campaign would generate approximately 1500 more memberships and additional revenues of \$300,000</p> <ul style="list-style-type: none"> • Agency retainer fees will be spent regardless of whether alternative is chosen 	<p>the target market's conversion to purchasers at specified rates</p> <ul style="list-style-type: none"> • This alternative does not directly improve visitor experience
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5. Host a Public Contest and Develop a Contact Strategy

Contests are an effective means to provide an organization with both promotional benefits and research benefits. As a part of a marketing contact strategy, Vancouver Aquarium can host a contest open to the public, which allows it to:

- Collect names, emails, and addresses for entry purposes and demographic information,
- Collect feedback on the aquarium experience and/or marketing efforts, and
- Generate a mailing list with which it can promote memberships and events via email.

In this alternative, the parents who enter into the contest, for their children or themselves, become members of a mailing list to receive online promotional materials about memberships. Table 7 shares conversion rates for online email marketing campaigns.

Table 7: Online Email Marketing Campaign Conversion

Estimated Contest Entries	Open Rate	Number Who Open	Click Through Rate	Number Who Click Through
50,000	25.71%	12,855	2.99%	385

Source: (Email Marketing Benchmarks, 2015)

However, without the software or the production capabilities in-house, VanAqua would need to outsource the creation and execution of the contact strategy to a third party advertising agency. As a medium sized organization, the aquarium's expenditures inclusive of conceptualizing the strategy, creating and executing the contest, and designing the email marketing campaign would sit at approximately \$12,000 per month or \$144,000 annually (Content Marketing Consultant).

Benefits	Costs
<ul style="list-style-type: none"> • Contests engage communities, particularly young children and purchase influencers, while collecting customer contact information • Contests provide opportunities to collect feedback, which can aid the aquarium in gauging the sentiments of visitors • Partnerships with CTV help increase promotional reach to potential visitors in the target market, in addition to those who already follow the aquarium's social media 	<ul style="list-style-type: none"> • VanAqua must outsource content strategy creation/execution at \$144,000 annually • The success of this alternative relies heavily on the number of viable contest entries received, which is impacted by the contest prize (high operational risk) • Upon implementing the contact strategy, each member of the mailing list has the prerogative to unsubscribe • There exist low click through rates for email marketing campaigns of about 2.99%, the percent who actually purchase will likely be even lower

6. Hire Brand Ambassadors to Engage Target Purchasers

Currently, the aquarium emphasizes student engagement with well-established partnerships and programs. However, as influencers, children represent just one part of the decision-making unit. As purchasers, parents and guardians are both final decision-makers and the ones who have the money needed, particularly for a considerable one-time membership purchase of \$185. VanAqua brand ambassadors can create presence at events like the Pacific National Exhibition, where parents are likely present with their children. This is an opportunity to appeal to adults by highlighting the financial benefits of membership and the importance of fostering environmental consciousness among youth.

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Benefits	Costs
<ul style="list-style-type: none"> In-person interaction with a brand ambassador can engage and provide immediate answers to questions Stronger presence in the community at notable events can increase brand awareness and word of mouth marketing Ambassadors can directly target parents and purchasers, whereas other engagement channels focus on students 	<ul style="list-style-type: none"> VanAqua currently does not have a brand ambassador team, recruiting and training 20 ambassadors would result in costs of \$20,000 annually excluding wages (Mueller, 2011) Additional costs include uniforms, flyers, booth rental (approximately \$5000 total) There is a high reputational risk involved in having ambassadors represent VanAqua's brand in the public This alternative alone does not provide a sense of urgency or an added incentive (new program or discount) to purchase

Alternatives Evaluation

Table 8: Alternatives Evaluation

Alternatives	Financial Justification	Member Experience	Public Reputation	Membership Sales Driver	Risk of Failure
1) Status Quo	Green	Yellow	Green	Red	Green
2) Decrease Price	Red	Yellow	Green	Green	Yellow
3) Revamp Membership Program	Green	Green	Green	Yellow	Green
4) Advertise Memberships	Green	Yellow	Green	Green	Yellow
5) Host Contest	Yellow	Yellow	Green	Red	Red
6) Hire Brand Ambassadors	Yellow	Yellow	Yellow	Green	Red

Recommendation

To accomplish the goal of increasing family membership sales by 10% and revenues by \$300,000, it is recommended that the Vancouver Aquarium pursue a two-pronged strategy, combining two alternatives: revamping the membership program to include parent-oriented perks and launching an advertising campaign to promote the revamp. It is unlikely that an advertising campaign on its own will

generate better member experience. However, enhancing the membership program with new incentives in tandem with the promotion of these new benefits will generate maximum buzz, provide a distinct reason to purchase, and a clear call to action. The following are two examples of two new membership enhancements catered to the target market parents.

- The first is a member’s dinner gathering, featuring Ocean Wise. This monthly gathering at a corporate partner restaurant will resemble a seminar about sustainable cooking, but will also include hands-on learning from famous Vancouver chefs like Ned Bell. This event is marketed as a night to get away from all obligations and experience Vancouver’s local, sustainable cuisine. Family membership holders will receive a discount, so that the event will cost \$100
- The next product is complimentary childcare for members at various VanAqua fundraisers, galas, and members’ events. The aquarium can provide employees to supervise or outsource the roles to a different organization. Children will engage in general activities or educational programs to learn more about animals.

As can be seen from Table 8 above, alternatives 3 and 4 in combination fulfill all key criteria. First, Table 9 shows the combined relevant benefits and costs.

Table 9: Relevant Financial Benefits and Costs of Recommendation

Financial Benefits	Financial Costs
<ul style="list-style-type: none"> • According to estimated customer impressions and purchase conversion rates, the estimated results are: <ul style="list-style-type: none"> • 800,000 new customer impressions evidence? • 1500 new family membership purchasers • \$300,000 in additional revenue 	<ul style="list-style-type: none"> • New membership events will increase service costs by \$200,000 annually • Potential additional fees paid to corporate partners (see risk assessment) • Opportunity cost of \$320,000, which could have been used to advertise rotating exhibits (removed from \$1 million VanAqua marketing budget, not project budget)

The recommendation stays within budget constraints, with a return on investment of approximately $\$300,000/\$200,000 = 1.5$. There is potential for a higher ROI if less popular members events are phased out in favour of those with higher ratings.

The new catered events directly improve membership experience. The purpose of the marketing campaign is to drive membership sales by communicating the new value of purchasing a membership. The campaign will use VanAqua’s trademark advertising techniques of memorable slogans and eye-catching content. Having proven the effectiveness of the recommendation in achieving the specified objectives, it is important to complete a risk assessment.

Table 10: Risk Assessment of Recommendation

Type of Risk	Description	Likelihood of Occurring (H, M, L)	Magnitude of Impact (H, M, L)	Mitigation Strategy
Financial	\$200,000 investment in	HIGH	L – The amount invested is relatively low given the	Ensure no further funds are allocated towards this

	service costs and \$320,000 in advertising opportunity costs		overall marketing budget. The amount will be used in its entirety to revamp the membership program.	project before seeing tangible and measurable results from the current investment.
Financial	Additional investment necessary to incentivize corporate partner participation	HIGH	M – For restaurants and other partners, this is can be an opportunity to give back to the community, to educate on sustainable living, and to engage more potential customers.	\$200,000 in additional service costs have been allocated to incentivize corporate partners. However, a pitch book can also be created to outline all the benefits corporate partners will receive in participating.
Operational	Extending new and product and service offerings to further enhance the membership program.	HIGH	L – To implement and execute the new membership program there will be minimal changes to the operational efficiency or effectiveness of the current staff and facilities, since the new product offerings utilize the current resources available at VanAqua.	Alert staff of their responsibilities during the implementation and execution of this new membership program so that expectations are clear. Create a logistical breakdown of each new event.
Reputational	Negative public perceptions of unnecessary spending on revamping membership programs, rather than research or conservation efforts.	MEDIUM	H – If left unaddressed, the public can develop misconceptions about how the new initiative aligns with VanAqua's values and missions. This can eventually lead to public scrutiny or even a boycott.	Ensure maximum transparency that capital invested comes from operational revenues rather than public donations. Showcase positive ROI on annual report.
Social	Additional social value created from the alternatives selected. Measuring the ethical, environmental, and community impact.	LOW	M – This recommendation does not focus on improving VanAqua's ethical or environmental practices. This initiative may create community collaboration through exclusive event, but it would be small in scale and have little effect on the project as a whole.	Have community building ingrained into the membership program as an added benefit of joining an exclusive initiative.

Implementation Plan

The chosen alternatives will be implemented in a four-stage process. A comprehensive timeline with dates can be found in Appendix B.

- **Stage 1:** In Vancouver Aquarium’s “Waters” e-newsletter, the revamp of the membership program will be shared, along with several alternatives for new members perks (including the two examples above. All members will have the opportunity to vote on their desired perks, with the top three being featured in a later issue of the newsletter.
- **Stage 2:** VanAqua will work with the accounts services team at Taxi Vancouver to conceptualize the new advertising campaign. The campaign will launch prior to the first peak season (before the height of summer) and the events will launch in the following month. In this stage, VanAqua can contact its corporate partners (for example, an Ocean Wise restaurant) and begin negotiations over fees and logistics.
- **Stage 3:** The events will launch. The first round of each event is a crucial time to gauge potential problems and necessary improvements. Stage 3 involves the collection of attendance and satisfaction data and comparisons to the key performance indicators outlined below.
- **Stage 4:** At year-end, a performance review of all events will occur. The executive team will decide based on member feedback and actual ROI whether to continue implementation in the next fiscal year, to modify, or to discontinue.

Key Performance Indicators

Table 11: Key Performance Indicators and Success Metrics

Key Performance Indicator	Success Metric
Family Membership Purchases	<ul style="list-style-type: none"> • Increase 10%
Attendance at Members Events	<ul style="list-style-type: none"> • Registration to event attendance conversion to reach 80% • Attendance at small member events (8-25 spots) to reach 90% capacity • Attendance at large member events (50-200 spots) to reach 70% capacity
Feedback from Members	<ul style="list-style-type: none"> • 50% of respondents discovered new membership events via advertising • 70% of respondents indicate a desire to attend future events • 80% of respondents would rate the experience as highly-enjoyable
Membership Retention	<ul style="list-style-type: none"> • 50% of members renew membership

Conclusion

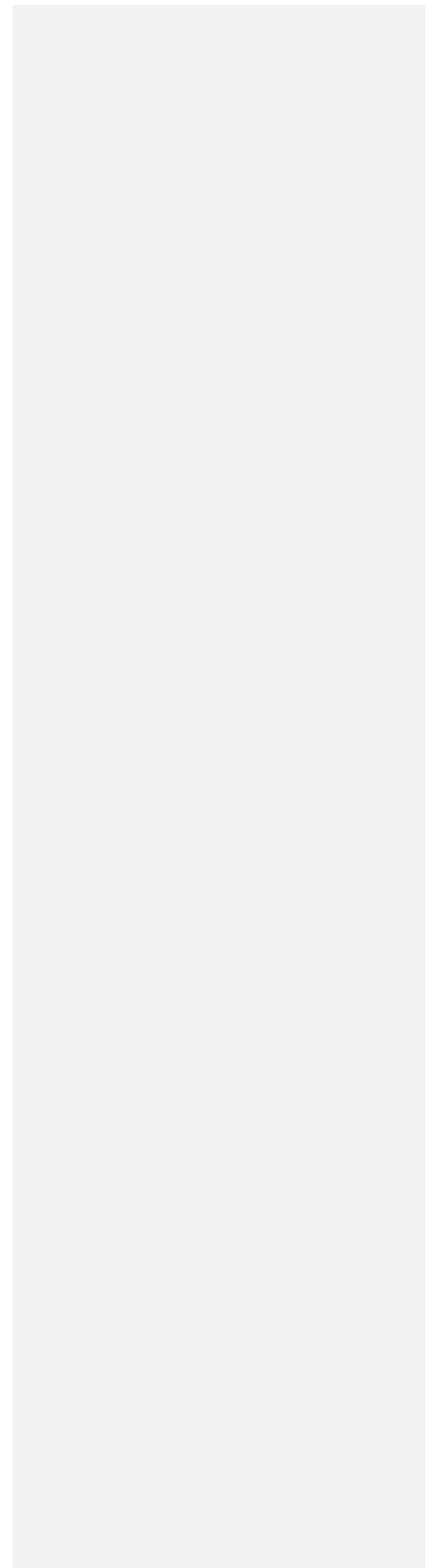
Vancouver Aquarium is a non-profit organization dedicated to providing superior health care to oceanic animals, facilitating educational experiences, and conducting cutting edge research. While at status quo, the aquarium has generated record attendance rates for 2013, this report outlines an objective for the organization to perform even stronger in coming years.

The outlined objective is to discover a feasible and effective way to increase the sale of family memberships by 10% from a projected 15,000 members in 2014 to 16,500, representing a total revenue increase of \$300,000. The focus will remain on increasing sales of the membership program, since one membership purchased generates twice the revenue of a one-time visitor ticket.

A list of five criteria was outlined in methodology to assess six different alternatives. Once ranked, two stood out, in conjunction, as most successful: revamping the membership program to offer new events and perks and launching an advertising campaign to promote the membership program. After

implementation, this hybrid strategy the advertising campaign will generate buzz about the newfound benefits of being a part of the membership program, communicating the added value beyond simply visiting the exhibits.

In order for VanAqua to continue its education and conservation efforts, it is crucial that the organization maintain the engagement and loyalty of its target market. With this solution, families are more likely to choose to be members, develop a long-term relationship with Vancouver Aquarium, and sustain and grow the organization's annual operations.



Appendix A

Price at \$185

$$(\$185 - \$155) * (-61) = -1,830$$

$$16,761 - 1,830 = 14,931$$

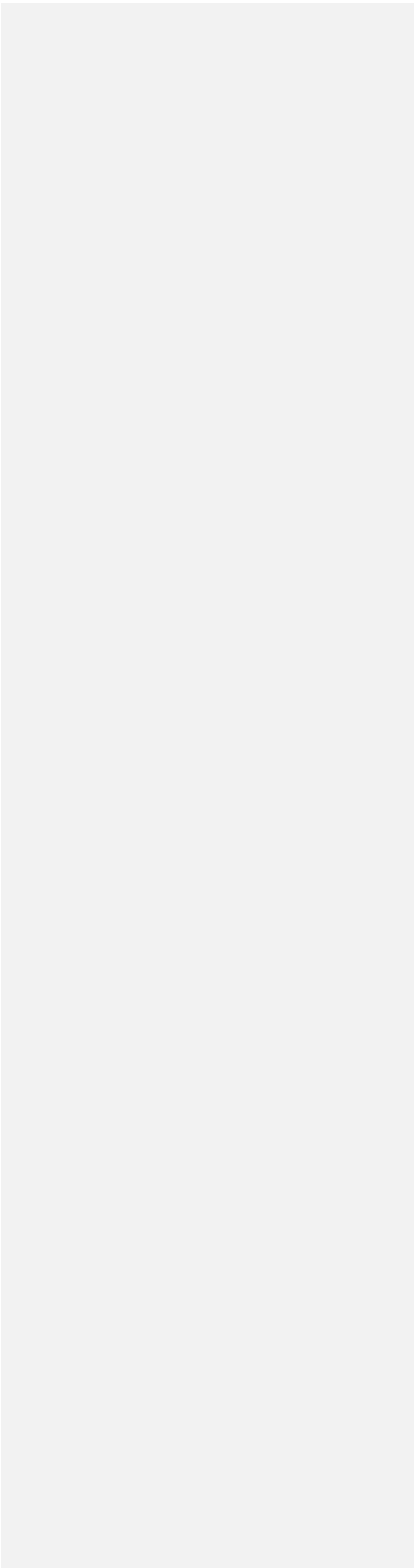
$$14,931 * \$185 = \$2,762,235$$

Price at \$175

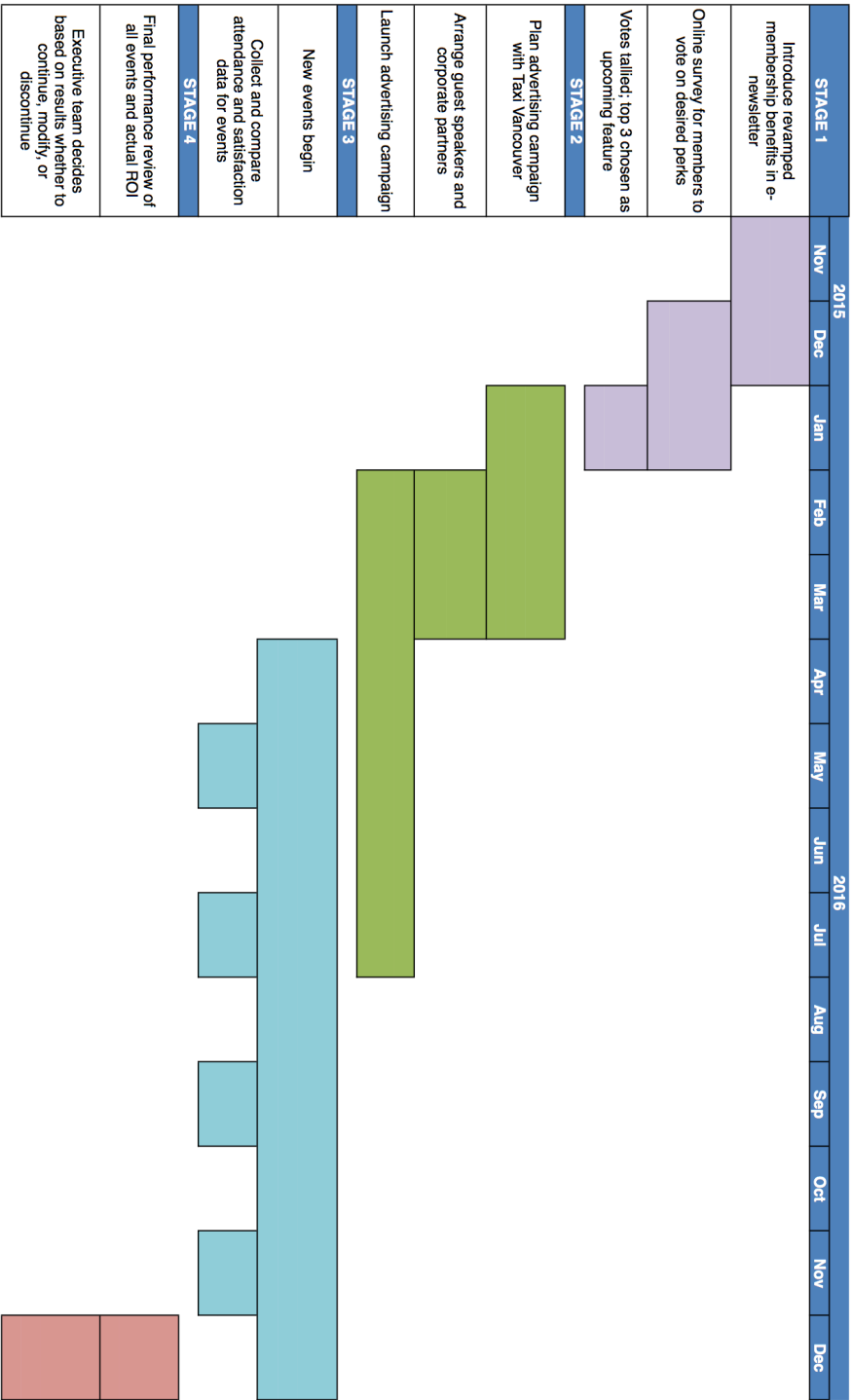
$$(\$175 - \$155) * (-61) = -1,220$$

$$16,761 - 1,220 = 15,541$$

$$15,541 * \$175 = \$2,720,000$$



Appendix B



References

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