



Fraternal: Uncovering Growth Opportunities

October 2022

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Agenda

1. Background
2. 5 Key Findings
3. Interest in the Fraternal Value Proposition
4. Individual Benefit Analysis
5. Building the Optimum Portfolio of Benefits



Background

Research Objectives

We conducted this study to learn:

- Which benefits of membership are valued by consumers.
- The perceived differences in how generations, and families, value benefits.
- Which collection of benefits appeal to various population demographics.
- How to build deeper relationships with members and prospects.



Methodology

We conducted an online survey of 1,201 consumers from the Lucid research panel, a nationwide consumer panel. The study was fielded from July 11, 2022 to July 19, 2022.

Each participant plays a role in the household's financial decision-making.

Sampling cohorts were based on specific quotas for generations and families as noted below.

- Gen Z (quota = 400)
- Millennials (quota = 400)
- Gen X (quota = 200)
- Boomers (quota = 200)
- Families (quota = 400)





5 Key Findings

1. Gen Z is not the short-term answer to growth



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- 2. Millennials are the best opportunity for short-term growth**



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- 2. Millennials are the best opportunity for short-term growth**
- 3. Monetary benefits are the most popular**



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- 4. Community grants resonate**



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- 2. Millennials are the best opportunity for short-term growth**
- 3. Monetary benefits are the most popular**
- 4. Community grants resonate**
- 5. A contemporary and engaging social media presence is critical to financial professionals**

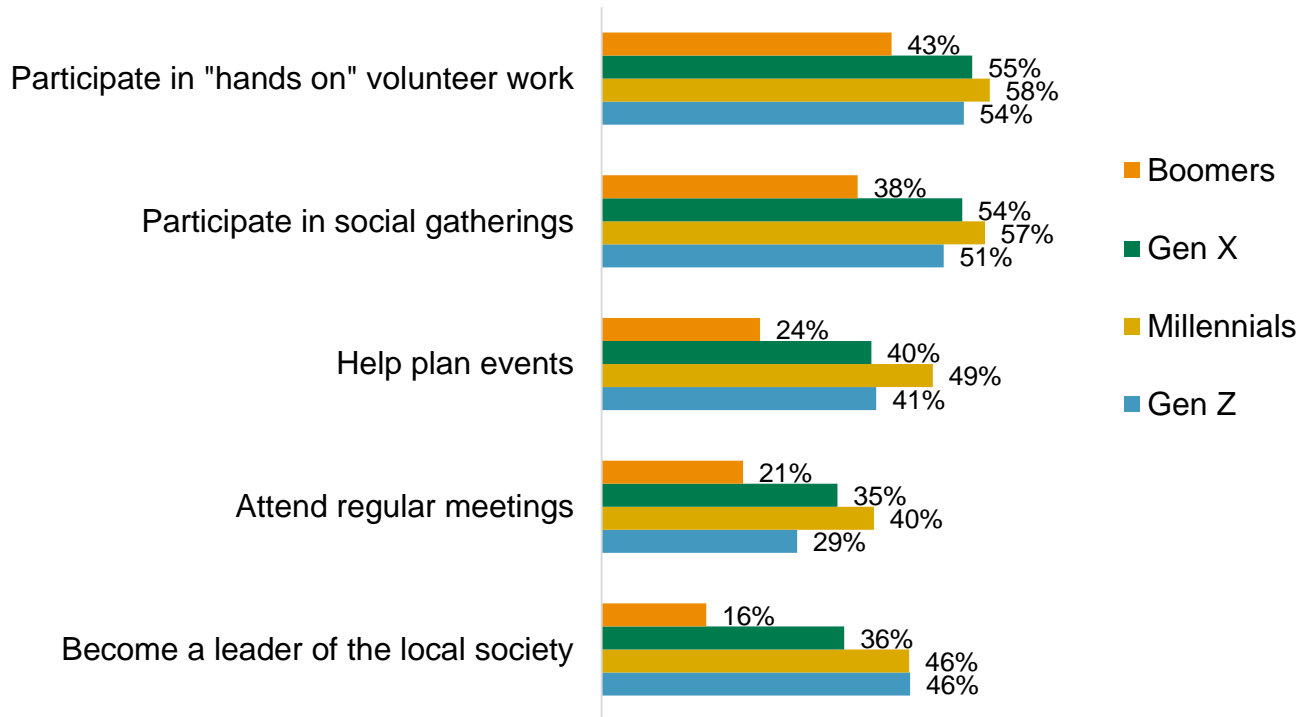




Interest in the Fraternal Value Proposition

Younger Generations are aligned with Fraternal Value Proposition

Younger Generations Are More Interested in Activities
(Percent "Very Interested" or "Interested")



More than half of the younger generations are interested in participating in "hands on" volunteer work and would like to participate in social gatherings.

However, Millennial interest is significant in its alignment

Generation Z - Are in an early life-stage and may "grow" into their alignment

Boomers - Are currently in a later life-stage, perhaps beyond the ability to appreciate their alignment

Average	Gen Z	Millennials	Gen X	Boomers
Attending regular meetings that support the society's common bonds (religion, gender, occupation, ethnicity)	2.9	3.1 ↑	2.9	2.5 ↓
Helping to plan events and activities that benefit members or local communities	3.1	3.3 ↑	3.2	2.6 ↓
Participating in "hands on" volunteer work	3.4	3.5 ↑	3.4	3.0 ↓
Participating in social gatherings (e.g., picnics or sporting events)	3.4	3.5 ↑	3.4	3.0 ↓
Becoming a leader/officer of the society (locally) to help manage chapter activities	3.3 ↑	3.2 ↑	3.0	2.2 ↓



Volunteer+Social+Planning+Meetings+Leadership=Fraternal Interest

5



Finding the “Sweet Spot”

	Gen Z	Millennials	Gen X	Boomers
Fraternal Interest	3.2	3.3 ↑	3.2	2.6 ↓

Kids in the House	Yes	No
Fraternal Interest	3.3 ↑	3.0 ↓

Income	25-34.9K	35-99.9K	100-199.9K	200K+
Fraternal Interest	3.1	3.1	3.3 ↑	3.1



Doing some exploratory research using the ***Fraternal Interest*** variable, we discovered the “**Sweet Spot**” or those most interested in fraternal activities are:

Millennials that have **kids** in the house and have a household income of **\$35-199K**

aka “**TARGET MILLENNIALS**”

Evaluate interest in the benefits for the Target Millennials

	Average
Attending regular meetings that support the society's common bonds (religion, gender, occupation, ethnicity)	3.2 ↓
Helping to plan events and activities that benefit members or local communities	3.4
Participating in "hands on" volunteer work	3.7 ↑
Participating in social gatherings (e.g., picnics or sporting events)	3.6 ↑
Becoming a leader/officer of the society (locally) to help manage chapter activities	3.3

They want:
Participant in "hands on" volunteer work
Social gatherings

They are least interested in:
Attending regular meetings

Our findings:

They can choose when to volunteer and attend social gatherings
They can bring their kids to these

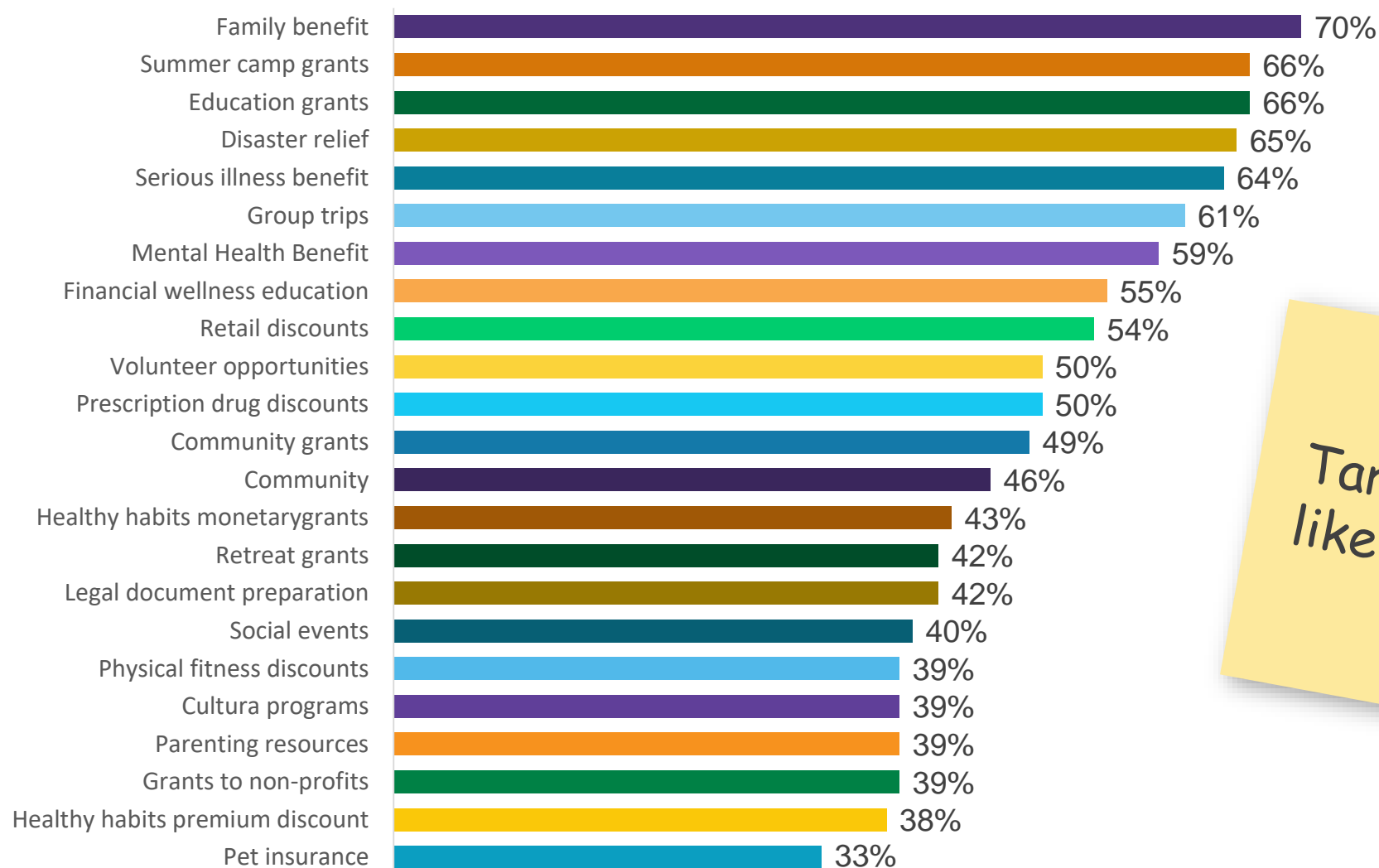
Our Conclusion:

Avoid Stressors on their time
Enable participation on their terms



Individual Benefits Analysis - MaxDiff Results

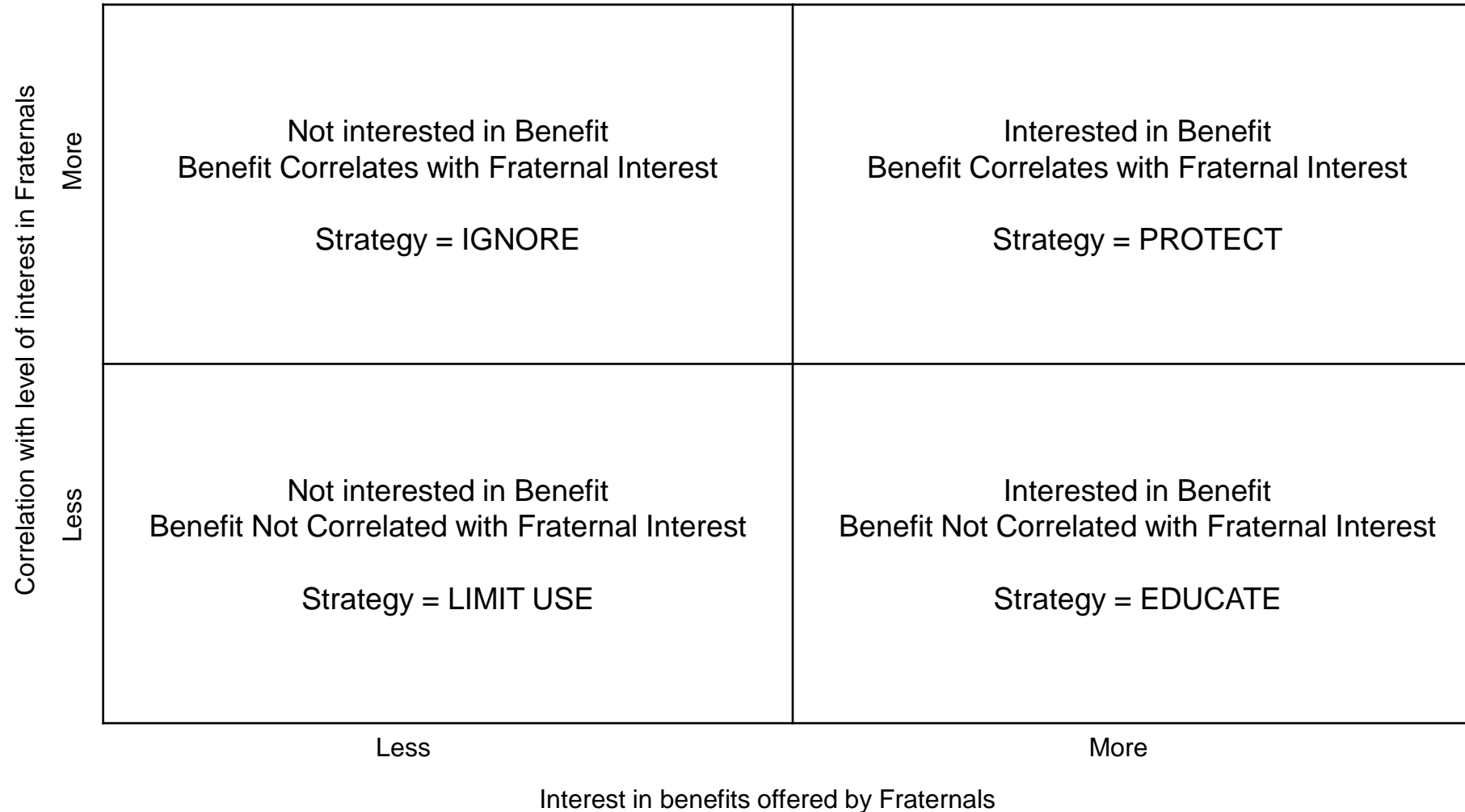
Sweet Spot – Ranking the Full List of Benefits



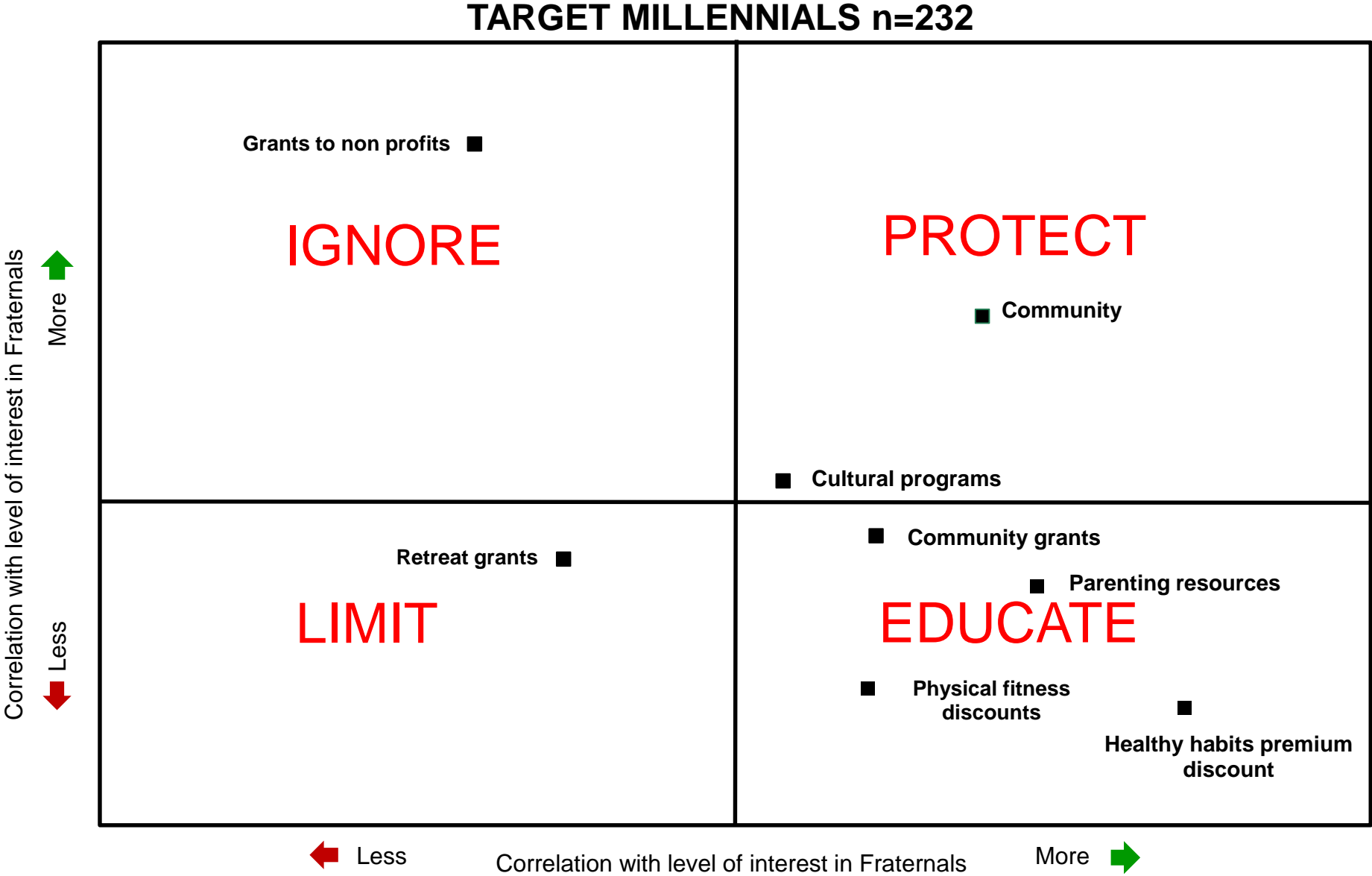
N=238 Target Millennials

Percentage of
Target Millennials that
like each of the tested
benefits.

Quadrant Analysis - A strategic look at the portfolio of benefits



Quadrant Analysis – The Sweet-Spot Market Segment





Building the optimum portfolio for your organization

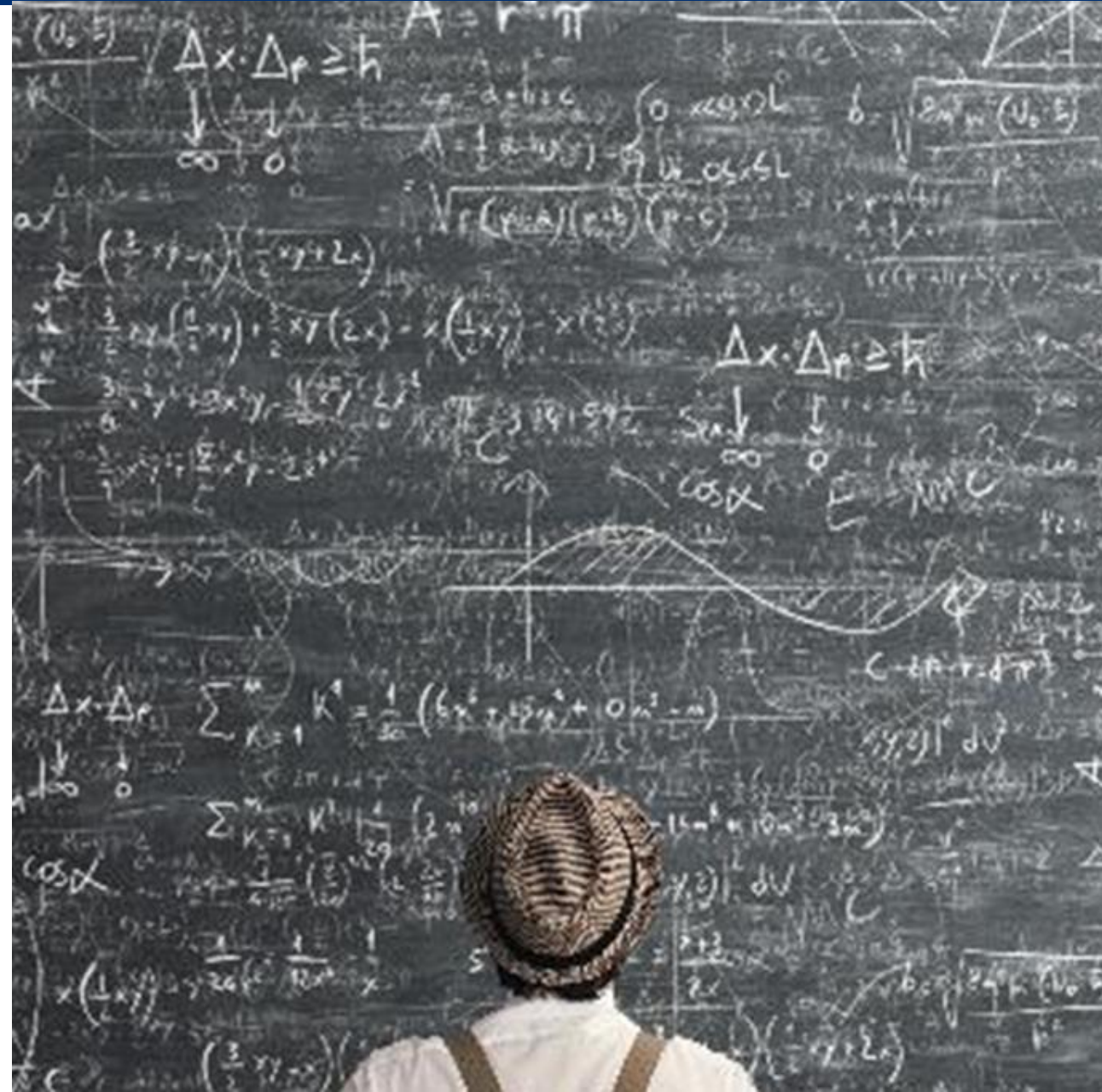
Why do a TURF analysis?

- Fraternal organizations offer a wide variety of benefits to their members.
- While knowing member's preferences for these individual benefits is helpful, crafting portfolios of benefits that will maximize the proportion of members that like at least one of the benefits is even more valuable.
- This technique is known as **T**otal **U**nduplicated **R**each **F**requency (TURF)



What is a TURF analysis?

- TURF is a term from media planning, where the focus was on understanding media vehicles (e.g., which combination of four magazines would reach the greatest number of people).
- It is usually just called “reach” for short.
- The way that a basic TURF study works is that it examines the reach of all possible portfolios (combinations) and computes the reach of each of them.



What portfolio of benefits will attain maximum reach

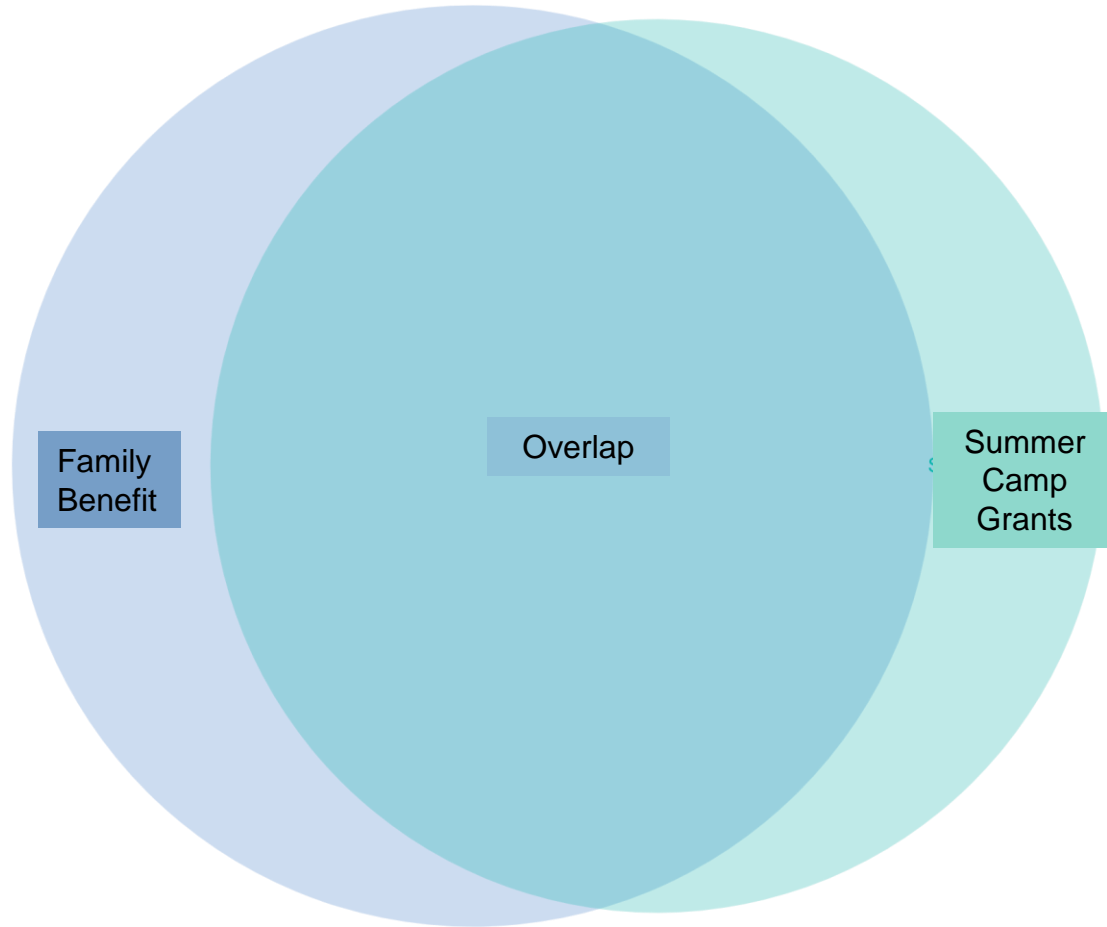
Portfolios of Top 3 Benefits			
	Portfolio	Reach	Frequency
1	Family benefit, Summer camp, Education grants	88.7%	483

When creating a portfolio, you may think the best thing to do is to combine the top 3 benefits.

As you can see here, when you combine those benefits, you reach about 89% of the Target Millennial group. Not bad, but we can do better.

The issue with just selecting off the top of the list of benefits is **overlap**.

Overlap

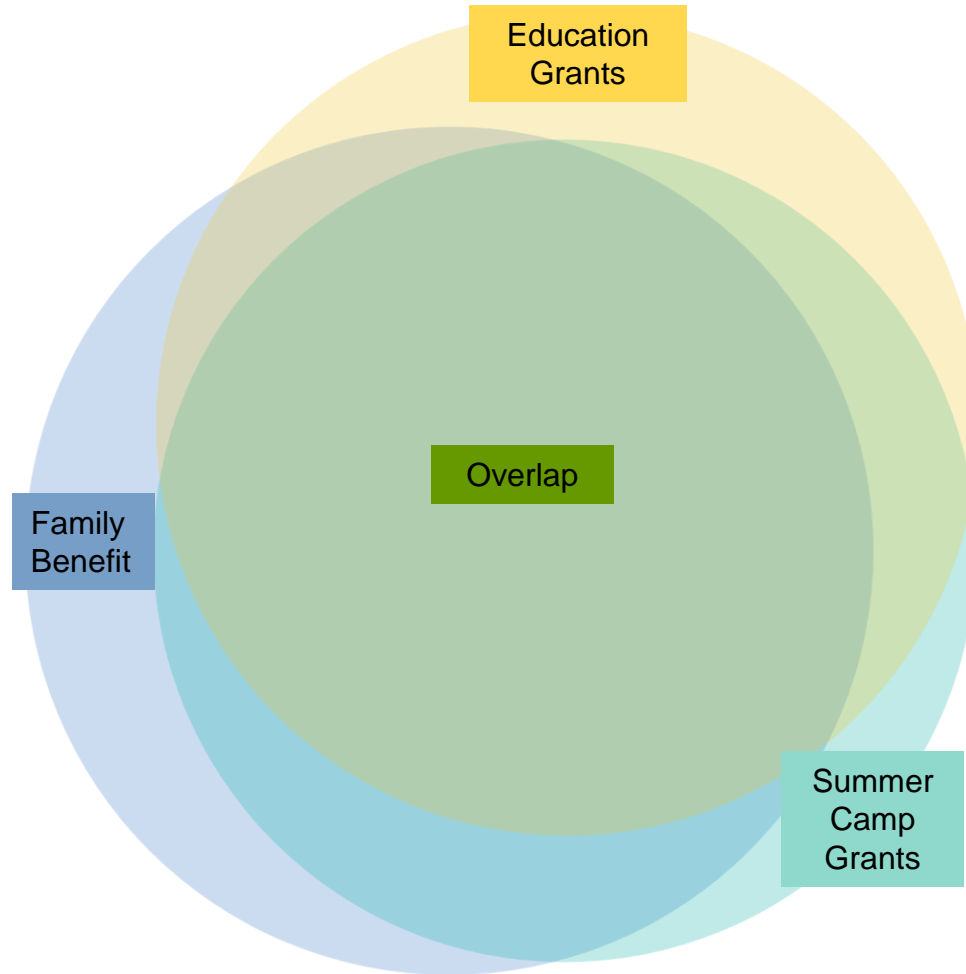


The individual reach of the top benefit, Family Benefits adds about 70% of Target Millennials to the model.

When we add Summer Camp Grants, individual reach 68%, due to overlap it only adds an additional 16% reach to the model.

Total reach = 86.1%

Overlap



Now lets add Education Grants.

While this benefit has an individual reach of 66%, due to overlap, it only adds an additional 2.6% of reach to the model.

Total reach=88.7

Now let's run the TURF analysis without the constraints of including the top 3 benefits in the model.

TURF - What portfolio of 3 benefits will maximize reach

As you can see, the reach is almost identical for each of the top 5 portfolios. This is good news as it means you are not limited in your benefit combinations.

One way to choose between portfolios is to consider the frequency.

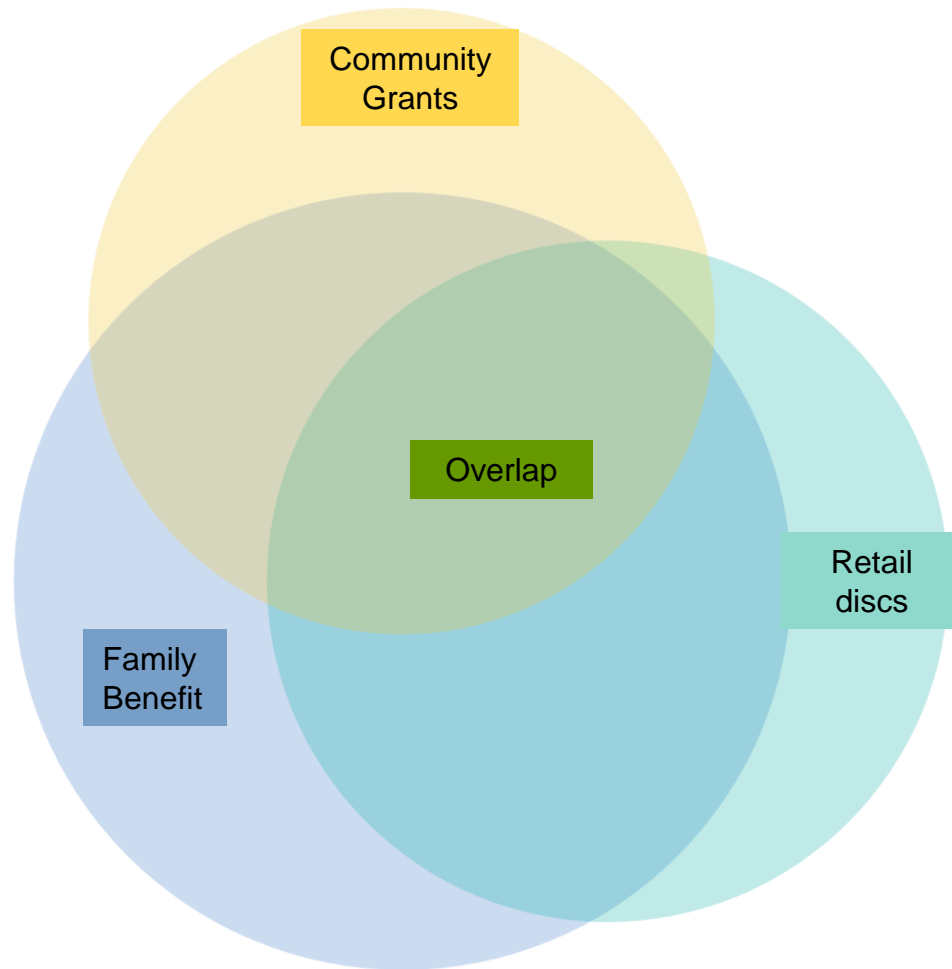
Top 5 portfolios with 3 alternatives			
	Portfolio	Reach	Frequency
1	Family benefit, Community grants, Social events	98.7%	376
2	Family benefit, Retail discs, Community grants	98.3%	413
3	Family benefit, Group trips, Social events	98.3%	404
4	Family benefit, Community grants, Physical fitness discs	98.3%	376
5	Family benefit, Community grants, Healthy habits prem discs	98.3%	376

The F in TURF refers to frequencies.

Portfolio #2 has a frequency of 413. This tells us that if we offer these three benefits, the total number of benefits that are liked across the total sample of 238 is 1.75 (i.e., on average, each of our 238 people liked approx. one and three quarters of the benefits in the portfolio).

Note that while all the portfolios are very close in terms of reach, there is a big difference in terms of frequency, with the portfolio #2 having a reach that is 10% higher than portfolios 1, 4 and 5. Looking at frequency makes the 2nd and 3rd combinations the standouts.

TURF reduces overlap



This portfolio has a reach of more than 98%, about **10% higher** than just selecting the 3 benefits with the highest individual reach.

This is because **TURF** analysis takes the **overlap** into consideration and **reduces** it.

Some people are disappointed when TURF fails to pick a clear winner. However, it is extremely positive, as it means that there is a lot of flexibility to take other factors into account.

It is not possible for fraternal organizations to offer all the benefits that are attractive to potential and current members.

Luckily, some benefits have good alternatives for substitution.

For this information, we turn to a duplication matrix.

Understanding substitution using a duplication matrix

- If you don't offer Family benefits, but you do offer Serious Illness benefits, you can still capture 82% of the people that like Family benefits.
- Or, you don't offer Disaster Relief, but you do offer Education Grants, you can still capture 78% of the people that like Disaster Relief...
- Note, the matrix displays **column** percentages. It must be read **vertically**.

	Family benefit	Serious illness benefit	Disaster relief	Education grants	
Family benefit	100%	85%	83%	79%	
Serious illness benefit	82%	100%	80%	69%	71%
Disaster relief	77%	77%	100%	71%	70%
Education grants	80%	73%	78%	100%	75%
Mental Health Benefit	70%	68%	70%	69%	100%
Prescription drug discounts	59%	63%	60%	52%	58%
Financial wellness education	59%	64%	60%	62%	65%
Group trips	51%	55%	53%	56%	50%
Summer camp grants	60%	56%	62%	67%	54%
Retail discounts	46%	47%	43%	46%	41%
Volunteer opportunities	55%	53%	54%	58%	
Charitable contributions to non-profits	51%	53%	57%	49%	
Student loan repayment	43%	45%	42%		
	43%	41%			

	Family benefit	Serious illness benefit	Disaster relief	Education grants	Mental Health Benefit	Prescription drug discs	Fin wellness edu	Group trips	Summer camp	Retail discs	Volunteer opps	Grants to non-profits	Legal document prep	Community	Community grants	Healthy habits monetary grants	Healthy habits prem disc	Cultural programs	Retreat grants	Social events	Physical fitness discs	Pet insurance	Parenting resources
Family benefit		88%	82%	85%	79%	81%	76%	73%	77%	74%	74%	65%	73%	68%	53%	66%	57%	56%	57%	40%	48%	47%	59%
Serious illness benefit	81%		82%	71%	68%	77%	69%	68%	66%	63%	66%	63%	64%	54%	55%	61%	57%	58%	46%	40%	51%	45%	51%
Disaster relief	76%	83%		73%	77%	76%	62%	69%	70%	65%	65%	70%	65%	54%	59%	49%	51%	58%	42%	46%	48%	53%	43%
Education grants	80%	73%	74%		75%	68%	72%	72%	81%	68%	68%	60%	62%	57%	53%	60%	53%	55%	49%	45%	46%	40%	60%
Mental Health Benefit	67%	63%	71%	67%		66%	69%	54%	58%	60%	56%	63%	48%	50%	46%	57%	55%	52%	45%	46%	50%	64%	65%
Prescription drug discs	57%	59%	58%	51%	55%		58%	48%	47%	55%	33%	38%	59%	43%	36%	41%	42%	42%	33%	37%	45%	61%	40%
Fin wellness edu	59%	58%	52%	59%	63%	64%		49%	51%	56%	47%	43%	57%	50%	46%	60%	65%	43%	62%	38%	52%	56%	68%
Group trips	63%	64%	63%	66%	55%	58%	54%		69%	80%	63%	61%	53%	56%	59%	51%	48%	59%	52%	59%	55%	45%	47%
Summer camp	72%	68%	71%	81%	64%	64%	62%	76%		66%	67%	69%	62%	57%	63%	63%	55%	63%	53%	58%	53%	55%	60%
Retail discs	57%	53%	54%	56%	55%	60%	55%	72%	54%		38%	51%	60%	47%	44%	54%	53%	48%	47%	52%	54%	48%	44%
Volunteer opps	52%	51%	49%	51%	46%	33%	42%	51%	50%	35%		63%	42%	62%	60%	41%	35%	53%	58%	46%	43%	39%	43%
Grants to non-profits	36%	38%	42%	35%	42%	30%	31%	40%	41%	36%	50%		33%	40%	35%	33%	29%	39%	41%	42%	33%	39%	34%
Legal document prep	43%	41%	41%	39%	34%	49%	43%	36%	39%	46%	36%	35%		31%	32%	36%	46%	36%	43%	39%	45%	47%	38%
Community	44%	38%	38%	39%	38%	40%	42%	42%	39%	40%	58%	47%	34%		53%	41%	41%	53%	73%	60%	43%	40%	47%
Community grants	36%	42%	44%	39%	37%	36%	40%	48%	46%	40%	59%	44%	37%	57%		46%	54%	66%	55%	62%	58%	55%	41%
Healthy habits monetary grants	40%	41%	32%	39%	42%	36%	47%	37%	41%	43%	36%	37%	37%	39%	41%		70%	37%	45%	50%	59%	55%	65%
Healthy habits prem disc	31%	34%	30%	31%	36%	33%	46%	31%	32%	38%	27%	29%	42%	35%	43%	62%		41%	44%	46%	58%	58%	53%
Cultural programs	33%	37%	37%	34%	36%	36%	33%	40%	39%	37%	44%	42%	36%	48%	56%	36%	45%		43%	60%	46%	49%	40%
Retreat grants	32%	28%	25%	29%	30%	26%	44%	33%	31%	34%	46%	41%	40%	62%	44%	41%	45%	40%		59%	46%	45%	53%
Social events	22%	24%	27%	26%	30%	29%	27%	38%	34%	37%	36%	42%	36%	50%	49%	45%	46%	56%	58%		53%	52%	47%
Physical fitness discs	26%	31%	28%	27%	32%	35%	37%	35%	31%	39%	34%	32%	41%	37%	46%	52%	58%	42%	45%	53%		64%	53%
Pet insurance	21%	23%	26%	20%	35%	40%	33%	24%	27%	29%	25%	32%	36%	28%	36%	41%	49%	38%	38%	43%	53%		48%
Parenting resources	33%	31%	26%	35%	42%	31%	48%	31%	35%	32%	34%	34%	35%	40%	33%	58%	53%	37%	53%	48%	53%	58%	

Reach overlap (column %)

60%+=Green

40%-59%=Yellow

<40%=Red

TARGET MILLENNIALS SUBSTITUTION MATRIX n=238

	Individual Reach	Possible Substitutions (60%+ Reach Overlap)							
Family benefit	70%	Serious illness	Education grants	Disaster relief	Summer camp	Mental health	Group trips		
Education grants	66%	Family benefit	Summer camp	Disaster relief	Serious illness	Mental health	Group trips		
Summer camp	66%	Education grants	Family benefit	Disaster relief	Group trips	Serious illness			
Disaster relief	65%	Family benefit	Serious illness	Education grants	Summer camp	Mental Health	Group trips		
Serious illness ben	64%	Family benefit	Disaster relief	Education grants	Summer camp	Group trips	Mental Health		
Group trips	61%	Summer camp	Family benefit	Education grants	Retail discs	Disaster relief	Serious illness		
Mental health benefit	59%	Family benefit	Disaster relief	Education grants	Serious illness	Summer camp	Fin wellness edu		
Fin wellness edu	55%	Family benefit	Education grants	Mental health	Serious illness	Disaster relief	Summer camp		
Retail discs	54%	Group trips	Family benefit	Education grants	Summer camp	Disaster relief	Serious illness	Mental health	
Prescription drug discs	50%	Family benefit	Serious illness	Disaster relief	Education grants	Mental Health	Summer camp	Fin wellness edu	Retail discs
Volunteer opps	50%	Family benefit	Education grants	Summer camp	Serious illness	Disaster relief	Group trips		
Community grants	49%	Summer camp	Volunteer opps						
Community	46%	Family benefit	Volunteer opps	Retreat grants					
HH monetary grants	43%	Family benefit	Summer camp	HH prem disc	Serious illness	Education grants	Fin wellness edu		
Legal doc prep	42%	Family benefit	Disaster relief	Serious illness	Summer camp	Education grants	Retail discs		
Retreat grants	42%	Community	Fin wellness edu						
Social events	40%	Community grants	Community	Cultural programs					
Grants to non-profits	39%	Disaster relief	Summer camp	Family benefit	Volunteer opps	Mental Health	Serious illness	Group trips	Education grants
Parenting resources	39%	Fin wellness edu	Mental Health	HH monetary grants	Summer camp	Education grants			
Cultural programs	39%	Community grants							
Physical fitness discs	39%								
HH prem disc	38%	HH monetary grants	Fin wellness edu						
Pet insurance	33%	Physical fitness discs	Mental Health	Prescription drug discs					



HELP

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ADVICE

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What's next??

The supplemental Report

This presentation focused on the “Sweet Spot” market segment...

The supplemental report provides the same analysis for several other segments:

1. Gen Z
2. Millennials
3. Gen X
4. Boomers
5. All generations with children in the household

Custom TURF Analysis

While there are multiple acceptable methods of conducting TURF analysis, We used the very common, threshold method, where a consumer is considered “reached” if their probability of choice for an option is above a predetermined threshold.

Our original intent was to provide you access to an online platform for simulation purposes, however, we were unhappy with the transparency of offered solutions and have chosen to provide custom analysis for sponsoring companies.

Custom TURF Analysis

A custom TURF analysis will help guide you to what combination of benefits will be attractive to the largest potential group of people.

All you need to do is let us know what benefits from the list we tested you would like included in your custom TURF analysis.

Custom TURF Analysis

Some things to consider:

Would you like to see combinations of benefits you already offer?

Send us a list of your offerings that correspond with the benefits we tested.

Do you want to explore new offerings?

Let us know which benefits from our list you would like to test.

Are there specific demographic segments you see as your target audience and would like to know what most appeals to them?

Let us know which segments you would like to focus on.

If you have other ideas or questions, we are happy to discuss them with you.

Once we have received your “Wish List”, we will customize a TURF analysis for you and deliver targeted results of 2, 3 and 4 benefit bundles to most effectively reach the your widest audience.

The background of the image features a teal-to-blue gradient. On the left side, there is a cluster of overlapping, 3D-style question marks in shades of beige and cream. The word "QUESTIONS" is written in a bold, blue, sans-serif font across the center of the image, with a slight drop shadow.

QUESTIONS

The Benefits

Community	Being a member makes you part of a community of people with like interests
Community Grants	Monetary benefit to organize and host community volunteer activities
Cultural Programs	Attend programs that embrace the organization's culture (e.g., holiday festivities)
Disaster Relief	Monetary benefit for those who have been affected by a disaster
Education Grants	Education grants for students in K-12, college, post-grad, vocational school, or a professional designation
Family	Monetary benefit for costs of senior care, child care, family emergencies, or unexpected living costs

The Benefits

Financial Wellness Education	Programs to learn about the best way to handle your finances
Grants to Non-profits	A portion of the insurance Premium goes to a non-profit that you select
Group Trips	Discounted tickets to family-friendly, popular venues like amusement parks
Healthy Habits (Monetary Grants)	App that syncs with a fitness device where healthy habits will earn gift cards or charitable donations
Healthy Habits (Premium Discounts)	App that syncs with a fitness device where healthy habits will earn reduced premium
Legal Document Preparation	Discounted fees to prepare legal documents (e.g., wills)
Mental Health	Access to online mental health resources

The Benefits

Parenting Resources	Access to online parenting resources
Pet Insurance	Discounted pet insurance
Physical Fitness Discounts	Discounts on membership fees to fitness clubs
Prescription Drug Discounts	Discounts on prescription drugs
Retail Discounts	Discounts at retailers (e.g., movie tickets, wholesale club memberships)
Retreat Grants	Monetary benefit for those attending retreats
Serious Illness	Monetary benefit for out-of-pocket expenses for serious illness

The Benefits

Social Events	Attend organized social events (e.g., dinners, golf tournaments)
Summer Camp Grants	Monetary benefit for children attending summer camp programs (e.g., sports, music, and computer)
Volunteer Opportunities	Participate in volunteer programs that support the local community or national organizations