

The comprehensive guide to understanding enterprise AMS pricing

Seven factors for determining the true cost of purchasing, owning, and maintaining association management software



NimbleAMS
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Introduction

If you're like many association professionals, your first question is: How much does association management software really cost? It's a fair question. You need to know what you're getting into before you decide on the AMS that will meet your association's needs.

The answer is different for each organization because it's based on several factors boiling down to the total cost of ownership (TCO).

TCO is a financial estimate intended to help buyers and owners determine the direct and indirect costs of owning a product or software system. TCO includes all the costs of owning an asset, going well beyond the purchase price to look at the true investment required. Like buying a car – in which TCO includes the cost of repairs, insurance, and fuel – the AMS purchase process must consider all expenses of owning the asset.

Seven key factors will help you determine the true cost of an AMS system:

- ✓ How you will select your AMS
- ✓ How to understand the pricing structure
- ✓ How to establish AMS system requirements
- ✓ How to determine internal staff users
- ✓ How to plan your AMS implementation
- ✓ How to identify operating costs and the cost of inaction
- ✓ What value the system will bring over time

Let's dig into these factors so you can move forward as a savvy AMS buyer.



How to begin your AMS selection process

Before you do anything else, it's important to know how you'll approach the AMS selection process. Quickly narrowing your options to two or three solutions will make your final selection much easier.

Here are three ways to jumpstart your AMS selection process:

Build an internal software selection team

Assemble a software selection team with representatives from different staff departments to ensure your employees feel included on your team. Identify all the necessary roles and responsibilities so your team members understand how they're contributing to the team and how they will help your organization find new software.

Also, consider leveraging an Impact vs. Usage matrix to identify your evaluation team and the resources you'll need to empower your organization.

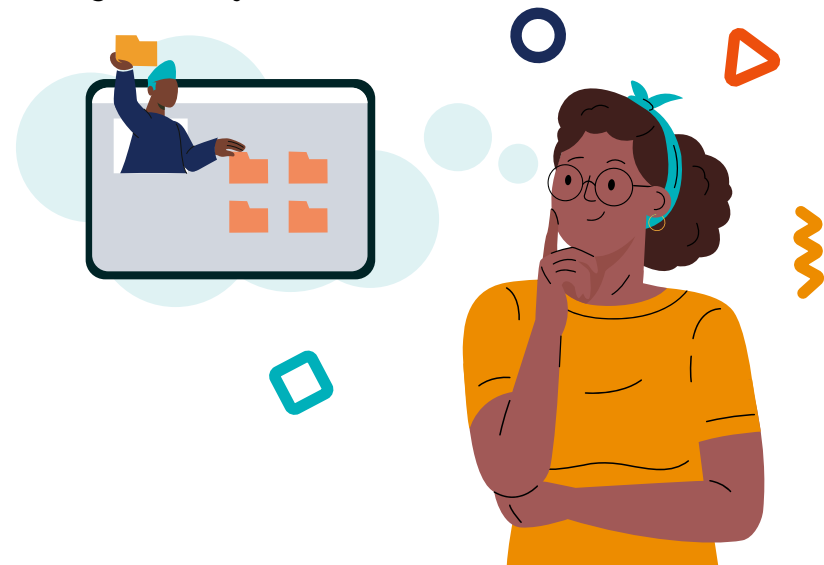
Identify goals when moving into a new system

When you make plans to move to a new AMS, your internal software selection team will want to prioritize and evaluate the best technology options based on your specific criteria. Consider using a decision-making matrix to help your team identify your goals, evaluate your options, and determine the best AMS for your association.

Consider the functionality of your new AMS

After you've identified your organization's goals, you'll want to determine if your goals match the functionality of the AMS you're considering. Maybe you want to boost member engagement, drive revenue, enhance the staff experience, ensure data security, or offer product innovation.

Consider if the new AMS matches the scope and scale of your organization's goals and KPIs and be sure to communicate your goals with your AMS vendor.



Pricing: perpetual license vs. SaaS

When you pay for an AMS, there are two main options to consider:

- ✓ Perpetual license – you buy the software outright and then own it for forever
- ✓ SaaS (software as a service) pricing – you pay a set amount of dollars per user, per month to access the software online

Both pricing structures are based on a per license basis, where you'll pay a set amount of dollars per user.

The choice between perpetual purchase and SaaS depends largely on whether you would like to pay more up front and save money in future years or pay a premium to spread payments out over the lifecycle of the system (which can help with budgeting).

Your accounting department or board of directors may also have a preference based on cash flow constraints and how your organization depreciates capital outlays.

Some key benefits of SaaS pricing for innovative associations include the following:

Scalability and the ability to future-proof your organization

SaaS solutions often operate on a subscription basis, allowing associations to scale their usage as needed without the need for significant upfront investments in hardware or software. This flexibility ensures your organization is always equipped with the necessary tools to handle growth, future-proofing it against unexpected changes.

Advanced retention efforts

Many SaaS platforms come with built-in analytics and member engagement tools that help associations monitor and enhance member satisfaction. SaaS platforms might also offer automated communication features to keep members informed and engaged with personalized content.

Increased revenue

Leveraging a SaaS solution often provides opportunities for associations to generate additional revenue. By using easier payment processing, increasing payment options to include Apple Pay and Google Pay, leveraging modern e-commerce features like abandoned cart reminders and recommended product offerings, and by streamlining membership renewals, you'll increase your revenue and reduce member e-commerce frustrations.

A return on your technological investment

Investing in a SaaS solution often provides a high return on investment (ROI) because of its reduced need for ongoing maintenance. After investing in your SaaS solution, you can trust your provider to handle updates, security, and support. This allows your association to focus your resources on your mission while still benefiting from innovative technology.

Tech Tip

Nimble AMS is a true cloud-based system with SaaS pricing. Total cost of ownership is greatly reduced by moving to a cloud-based AMS system. A move to the cloud also will give your association the security, scalability, and mobility that more modern enterprise cloud computing offers.



Requirements

Like with any buying decision, you make the best purchase when you know in advance exactly what you want. That's true with an AMS, too, but there are so many varied and unique business processes that defining requirements can get complicated.

It can seem that the more people you talk to about your AMS list of wants and needs, the longer your list of requirements gets. That, of course, adds complexity; and complexity means additional cost.

Consider that trying to move your existing processes step-by-step, exactly as they're done today, into a new system might not be the most efficient or cost-effective approach. There might be a new way in a new system to achieve the same result.

Try approaching your requirements by gathering the perspective of “what” you are trying to achieve rather than “how.” Encourage your team members to be open to changing their workflow to reduce unnecessary development work that can delay or complicate your implementation.

To determine your AMS requirements, consider these important technological priorities:

- ✓ Member engagement
- ✓ Revenue
- ✓ Staff experience
- ✓ Data analytics
- ✓ Product innovation
- ✓ Data security

Once you've decided on your project requirements, stick to your list as best you can. If you need to make adjustments, be sure to have an approval process that must go through internal project management personnel. Also, your AMS implementation team should review budget, requirements/scope, and timeline with you weekly to address any potential project risks.

Users

When it comes to users, pricing an AMS is much more than a numbers game.

It's true that for both perpetual and SaaS models, the price depends on the number of people who will be using it, which factors heavily into your initial costs. However, in addition to the numbers, you'll want to determine what types of staff users are needed in your new AMS.

Additionally, you'll want to consider how your new AMS empowers your staff with training opportunities, encouraging buy-in and easy software adoption. With staff buy-in, your employees will actively participate in training opportunities, use the AMS often to become proficient and efficient, and spread the positive word of mouth that they like what they're doing.

It's also important to factor in personnel hours for software implementation, especially if your organization will be hosting the software. Asking employees to manage the implementation on top of their day-to-day jobs can easily burden the most optimistic team. Some staff might walk away, and the implementation likely will take much longer because staffers are unable to focus on what needs to be done.

Your users will benefit when you've made sure you have adequate staffing to allow some to focus on the implementation and others to concentrate on daily operations. Regardless of the role, everyone should understand the strategic importance of the AMS implementation and its benefits. Regular communication on project status, plus executive-level sponsorship, is key to keeping everyone on board.



Tech Tip

Nimble AMS customers are set up for success with helpful resources including **NimbleLand**, a comprehensive help site, training opportunities, and customer support.

Implementation

You can't take advantage of the features in your new AMS until the software is installed and implemented correctly to meet your needs. Keep in mind that the more requirements you add, the more the scope grows. And the bigger the scope, the more time required for the implementation team to define, build, validate, and deploy each additional feature.

As you begin your implementation, it's important to understand the entire process so your organization can know what to expect, preparing for necessary expenses. Here are the core implementation phases:

Onboarding

During the onboarding phase, your team will attend training classes to introduce your association to your new platform. Training will help your staff feel confident in using your AMS by your launch date.

Discovery

During this phase, you'll also be working on an implementation plan. Your vendor will work with your team to determine how to proceed with your design project, preparing you to begin the next phase of implementation.

Implementation

During this important phase your AMS vendor will work to complete all the configurations and integrations you agreed upon in the previous phases and the development team will test and demonstrate the system configurations. Your AMS team should leverage quality assurance testing and user acceptance testing to ensure a successful transition to the new system. Finally, your vendor team will conduct data conversion to support training, testing, and ultimately the system launch.

Launch

During this final phase, the AMS vendor team will complete final tasks and wrap up loose ends. This phase involves end-user training to upskill each user on your system's unique extensions. On the launch day, your vendor team will provide support for your staff to ensure a smooth transition.

As you select an AMS vendor, make sure you find out exactly what part of the software is offered out of the box and what will need to be added. Each vendor has its own core offerings, so one vendor's base price might be significantly lower than another's but will only offer basic functionality.

Keep in mind that choosing a product like this might keep your initial costs low, but as you add more applications, the total cost for both software and implementing additional functionality will start to add up.

Continuous product upgrades

Operating or on-going costs are non-personnel costs associated with keeping your AMS running and well-maintained. These costs can include SaaS license payments, upgrade costs, support fees, or hardware and/or hosting costs. For some AMS systems, upgrade costs can be substantial (with some associations paying as much as seven figures for an upgrade).

However, if you choose a modern AMS that offers continuous product upgrades, you'll ensure the following benefits for your organization:

- ✔ Automatic software enhancements
- ✔ All customers on the same product version
- ✔ No additional charges and a lower cost of ownership
- ✔ Constant innovation
- ✔ Enhanced quality and security

Tech Tip

Nimble AMS is the only Salesforce-based, enterprise-level AMS to offer continuous product upgrades. With Nimble AMS you will receive three routine product updates in the Summer, Winter, and Spring. You'll also receive an additional three, annual product upgrades from Salesforce, offering the latest innovations for your association.

All customers are on the same version of the latest technology without any hassles or extra costs. There is never an additional charge for product upgrades, ensuring the total cost of ownership is lower than other solutions and more predictable for budgeting purposes.



With old-school AMS systems, there is often an “annual fee” based on the initial purchase price (often 15 to 20% of the initial software cost). Some AMS vendors also charge a fee for any customizations made or upgrades performed.

Legacy systems may also provide you with the option of hosting the software yourself. What you decide should depend on how large your internal IT team is, the amount of time to which you want your IT department devoted to hosting, and, of course, what your budget is for such services.



Tech Tip

Nimble AMS is designed to empower non-IT roles, freeing up IT from mundane requests and break/fix mode, allowing IT to take on a more strategic role in the organization.



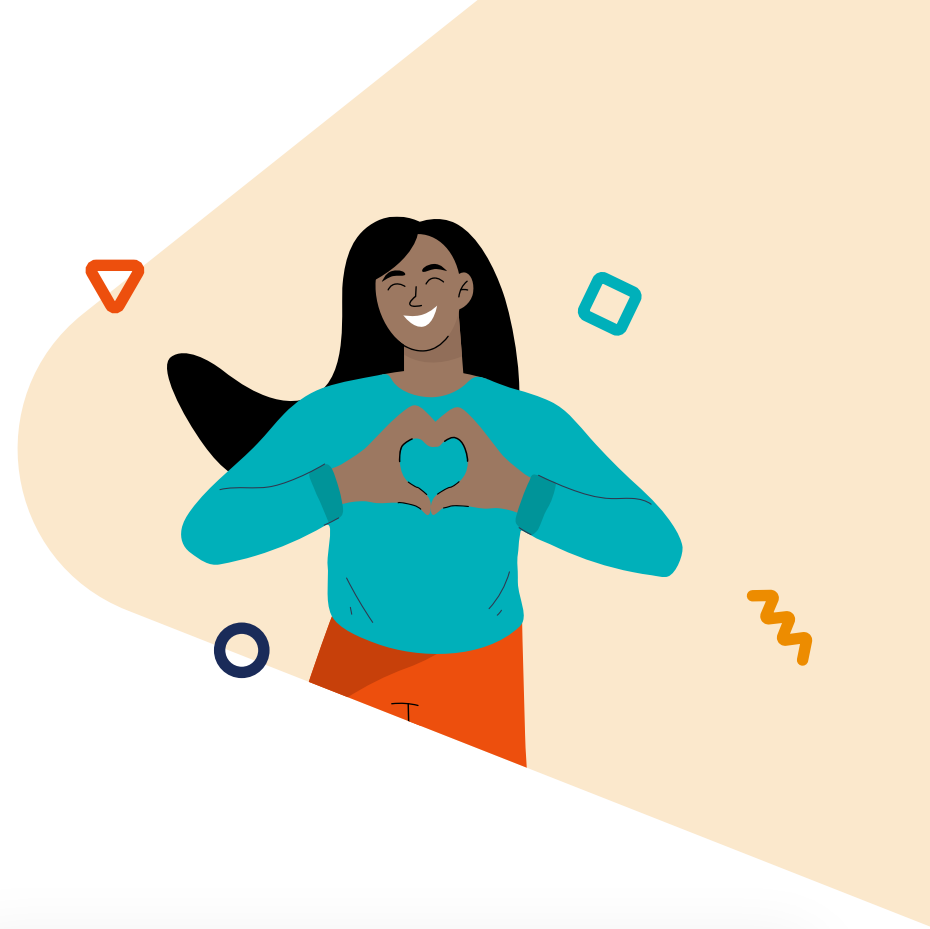
Long-term costs and lifetime value

If anything is constant, it is change. The rapid pace of evolving technology means that to thrive, you need to be able to assess change and respond appropriately.

The investment you make now will have a direct impact on how much you must spend in years to come. The cost to maintain your AMS at the level required to run your business can quickly increase over time if the software you choose today can't adapt to changing needs. It's vital for your organization to identify any pain points with your current AMS system. Understanding the business issues your organization is facing will help you rectify these challenges with your new AMS solution.

Look at the total cost of ownership of any system you're considering. Will you need to re-implement your system in a few years because the software is too complex to upgrade? Is your system built on a platform that allows for change or will your modifications have to be rebuilt in each release? Is your software able to support the latest technological innovations as they evolve?

For any AMS you consider, be sure to interview client references about their upgrade experience and cost, ask about the vendor's customer retention rate, and check on how the AMS system has been able to keep up with their changing needs.



Tech Tip

Built on the Salesforce CRM platform, Nimble AMS empowers associations to meet future expectations and readily embrace innovative solutions, such as Artificial Intelligence (AI), process automation, mobile access, and dashboards and advanced reporting – all with automatic upgrades.

The bottom line

On average, for a mid-sized association with a staff of 50 that chooses the perpetual pricing model (and hosts the software itself), the initial price of an AMS can take a toll on your technological budget. The price can vary by vendor and module as well as complexity and necessary customizations. Each year there are additional costs such as support contracts, testing, upgrades (assume 1 per year), customization additions/fixes and “other” fees (data storage, API calls, etc).

Since a platform-based system like Nimble AMS, built on Salesforce, handles hosting, storage, first-line support (included), upgrades (3 per year) and more, the total cost of year one may be similar, but the total cost of ownership will fall as the initial term completes. This makes pricing much more predictable.

The “price,” though, is so much more than the software. It’s also about implementation. It’s about staff buy-in and training. It’s about using selection consultants and upgrading and adapting to change. It’s every decision that goes into the lifecycle of the product.

Ultimately, the benefits of SaaS pricing include finding a clear product offering that is easily understandable and showing what product capabilities are available. Another benefit of SaaS includes scalability, the ability to scale with customers as they grow so they can continue to add more members, increase retention efforts, grow revenue, and more. With SaaS pricing, and the right AMS, your organization is sure to get a return on investment with your system.



Take the next step

Your choice of AMS will be instrumental in the ongoing success of your organization. In your association's efforts to remain relevant with your members, you will need to invest in modern technology to deliver the experience your members expect, while working within your budget. The foundation of this investment and your innovation potential depends heavily on the platform that your AMS is built on and the expertise of your software vendor.

Learn more about the Nimble AMS advantage

[Learn more](#)

Nimble AMS offers innovative association management software designed to empower staff and deliver a superior member experience. Built entirely on the Salesforce platform, Nimble AMS will help you streamline every aspect of your enterprise association. Expect continuous upgrades, AI and predictive analytics, robust reporting, and online communities to advance your association.



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