## Income Opportunities and the Importance of Specific Activities

Associations need revenue sources in addition to their members' fees. Membership payments, although they are the primary revenue source for almost all associations, are still not enough to cover budgetary requirements.

The second most common source of income for associations is the sale of services. Associations that offer specific services over and above their general services tend to be in a better financial position than the ones providing only general services.[8]

The variety of services offered contributes to the organizations' financial flexibility. The specific services also generate other benefits: they raise the visibility of the association and pique members' interest.

In short, associations need to increase their opportunities for selling services while maintaining a mixed profile of general and specific activities. Providing merely general services is not sufficient to maintain the commitment of key members and the interest of a critical number of members over the long haul.

## Maintaining Membership Competition

Some bilateral business associations are competing for the same national markets. Eight Canadian bilateral business associations are concentrating on Japan, three on India, four on Italy and two for each of the following countries: China, Taiwan, Hong Kong, Germany, Poland, Colombia, Turkey, Hungary and Armenia.

Some of these associations compete openly for the same business members and founding members, that is, a number of associations have the same businesses as members. Founding members play a role of prime importance for an association's financial stability by agreeing to pay higher fees for their membership. Canadian firms with international operations will be present in a number of countries and may therefore belong to a number of different associations.

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8 For distinctions between general and specific services, please refer to Section IV (Profile of Mandate—Activities, Objectives and Services) of "Research Findings" in this report.