

**TOASTMASTERS**  
INTERNATIONAL

**CEO REPORT**

**MARCH 2019**

## MISSION

### Toastmasters International Mission

We empower individuals to become more effective communicators and leaders.

### District Mission

We build new clubs and support all clubs in achieving excellence.

### Club Mission

We provide a supportive and positive learning experience in which members are empowered to develop communication and leadership skills, resulting in greater self-confidence and personal growth.

## VISION & VALUES

### Toastmasters International Envisioned Future

To be the first-choice provider of dynamic, high-value, experiential communication and leadership skills development.

### Toastmasters Brand Promise

Empowering individuals through personal and professional development.

## Message From The CEO **4**

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## By The Numbers **5**

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Membership Growth & Membership Payments	<b>6</b>
Paid Clubs	<b>7</b>
New and Suspended Clubs	<b>8</b>
District Reformatations	<b>8</b>
Pathways Achievements	<b>9</b>
Traditional Achievements: Communication Awards	<b>10</b>
Traditional Achievements: Leadership Awards	<b>10</b>
Education and Product Sales	<b>11</b>

## Global Support **12**

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Digital Transformation	<b>12</b>
Pathways	<b>12</b>
Marketing and Promotion	<b>14</b>
Publicity	<b>15</b>
Translations	<b>15</b>
World Headquarters Workplace	<b>15</b>
Notes	<b>16</b>

## Member Demographics **17**

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“Lots of companies don’t succeed over time. What do they fundamentally do wrong? They usually miss the future.”

– Larry Page, Google Inc. co-founder

## FROM THE CEO

I was working on a presentation recently and struggling to develop an object lesson to help me communicate a primary point. Finally, I settled on the example of the telephone and its progression from a static, operator-assisted communication device to today's handheld access-all-the-information-in-the-world tool that most people find indispensable. The telephone evolved quite slowly for many years—decades—and then exploded into new forms, formats and uses. Most of us have accepted and adapted to this evolution.

Drawing on that analogy, how willing and able are we to adapt to necessary and inevitable changes in work habits and hierarchies?

Words like *agile*, *sprints*, *squads*, *peer review*, *UX*, *user experience* and *digital dexterity* dominate conversations about organizing people into teams, working together and creating solutions that meet customer needs. I like to think of these processes as forms of human fusion: ways to bring people from various disciplines together, extract the best from each of them and create a result significantly better than any individual could have produced.

At World Headquarters, this is the way we are beginning to work, and it is our future. The transition is fraught with challenge. Some ask themselves, "Where is my place?" and "What is the hierarchy?" In today's project-driven workplace, these concepts are less clear and more fluid than ever. A tolerance for ambiguity—relative to aging concepts—is needed.

Soon, this form of "human fusion" will be the norm. Not because it's new, different and perhaps quirky. Rather, because it is effective in a future that will be more mobile-driven and technology-focused. Together, we'll discover this future and how Toastmasters will adapt and thrive.



Daniel Rex

BY THE NUMBERS

MEMBERSHIP



### Total Membership



## MEMBERSHIP GROWTH

Membership growth was flat compared to the same period last year. This chart reflects memberships as of September 30, 2018, and includes all membership types. The United States comprises 48.8% of all memberships.

## MEMBERSHIP PAYMENTS

As of December 31, 2018, membership payments totaled 354,591, a 1.1% increase over the prior year (350,567). Membership payments include new, charter and renewal payments.

### Membership Payments



# BY THE NUMBERS

# CLUBS

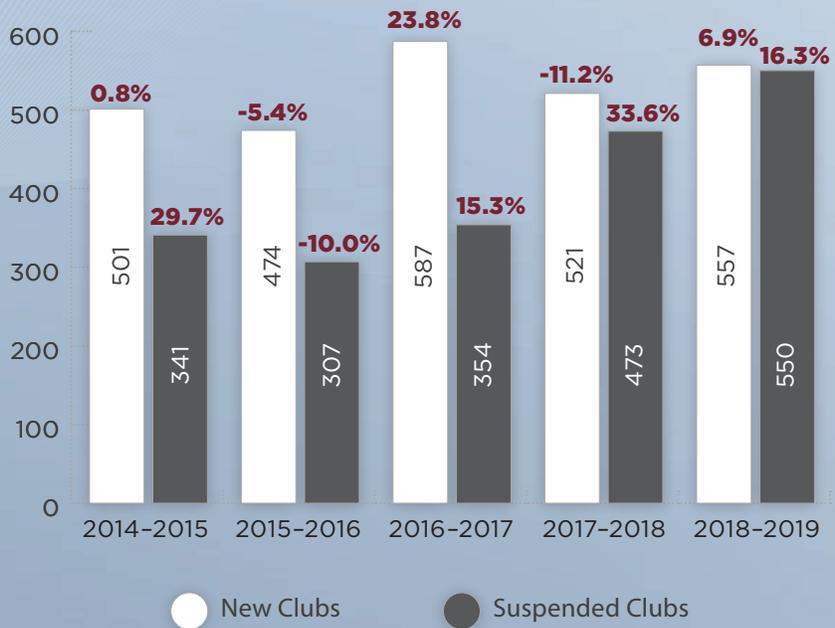
## PAID CLUBS

For the first half of the 2018–2019 program year, total paid clubs increased 1.3% to 16,105.

Paid Clubs



## New and Suspended Clubs



## NEW AND SUSPENDED CLUBS

For the program year to date (July through December), the number of new clubs has increased by 6.9% to 557 over the same period last year. The number of suspended clubs has likewise increased by 16.3% to 550 compared to last year.

# DISTRICTS

## DISTRICT REFORMATIONS

On July 1, 2019, District 33 will reform into districts 33 and 115. District 89 will reform into districts 89 and 118.

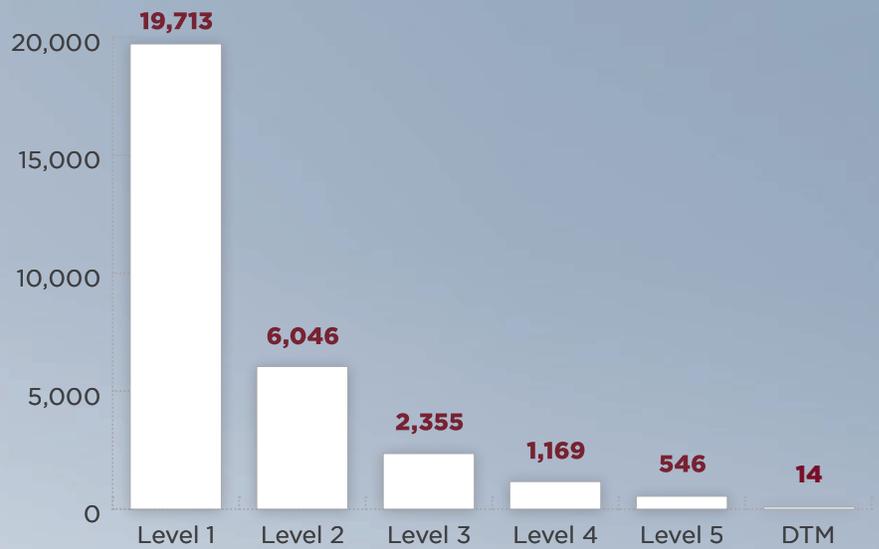
DISTRICT	NEW DISTRICT	REGION	EFFECTIVE DATE OF REFORMATION
33	33	Central California	7/1/2019
	115	Southern Nevada	
89	89	Fujian, Hainan, Hong Kong, Macau, part of Guangdong	7/1/2019
	118	Remaining part of Guangdong, Chongqing, Gansu, Guangxi, Guizhou, Ningxia, Qinghai, Sichuan, Tibet, Xinjiang, Yunnan	

# AWARDS

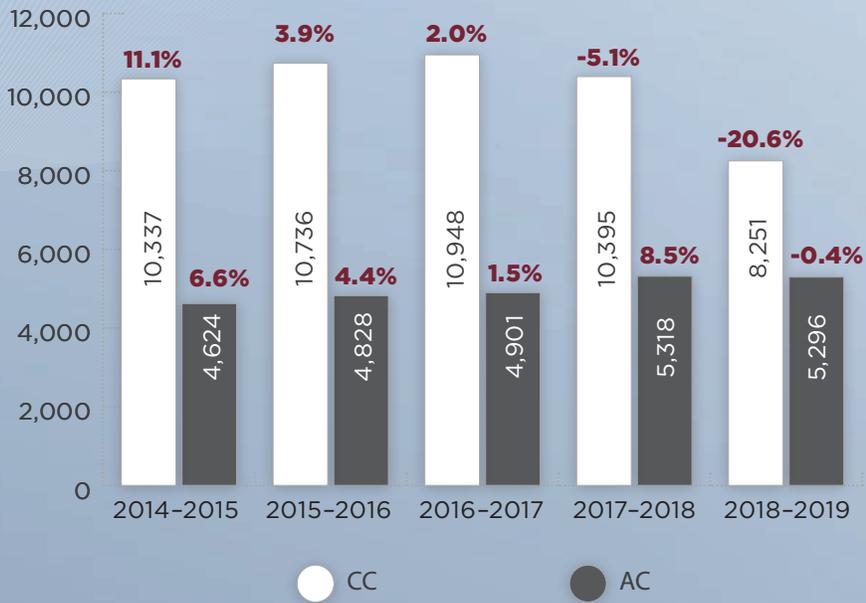
## PATHWAYS ACHIEVEMENTS

From July 1, 2018, to December 31, 2018, 19,713 Level 1s, 6,046 Level 2s, 2,355 Level 3s, 1,169 Level 4s and 546 Level 5s have been completed. Fourteen members earned their DTM awards in the Pathways program.

Pathways Awards



## Communication Awards



## TRADITIONAL ACHIEVEMENTS

The number of traditional education awards has continued to decline overall. As of December 31, 2018, 13,547 communication awards were processed, which is 13.8% fewer than at the same time last year. Competent Communicator awards declined as well, by 20.6% to 8,251, and Advanced Communicator awards were down 0.4% to 5,296 compared to the same period last year.

## Leadership Awards



Total leadership awards were down 10.8% to 11,930. Competent Leader awards decreased by 17.8% to 6,643, and Advanced Leader awards declined by 7.2% to 3,954. Traditional Distinguished Toastmaster awards increased by 29.2% to 1,333.

# BY THE NUMBERS

## EDUCATION AND PRODUCT SALES

### EDUCATION AND PRODUCT SALES

For the first half of the 2018–2019 program year, education and product sales decreased by 25.4% to \$1,089,550. These sales include education, marketing and promotional products sold through the online store and at the International Convention. Paid path purchases are not included in this total.

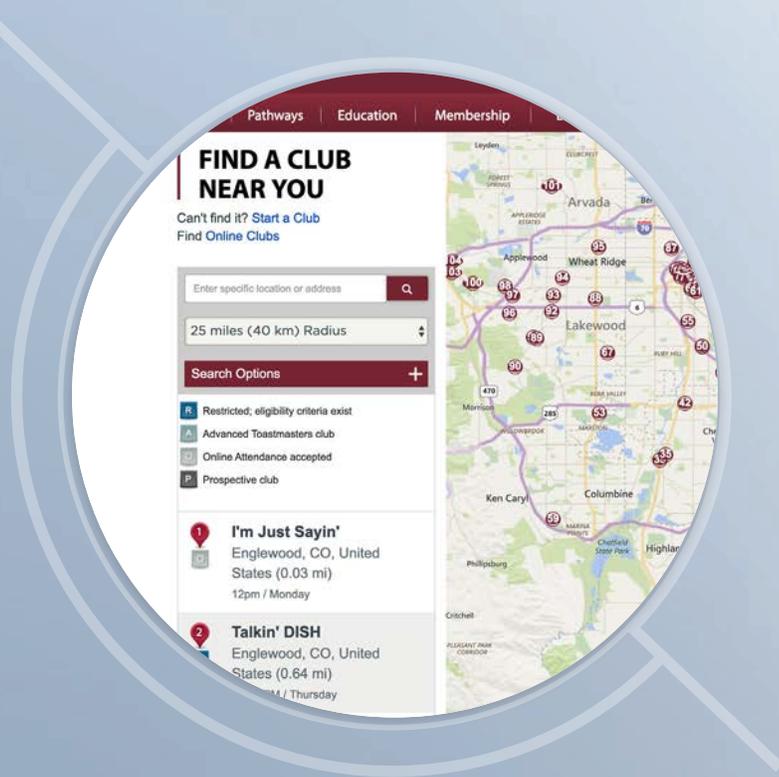
Education and Product Sales



## DIGITAL TRANSFORMATION

From people, processes and technology to user experience and customer expectations, we are building new digital capabilities for prospects, members and leaders. A future Toastmaster’s journey often starts with visiting our website to find a club. Earlier this year, the website’s “find a club” feature was enhanced with a standardized process to better communicate with and support clubs. This business capability is one of the many benefits of the new Enterprise Resource Planning system.

Researching critical factors and how they affect the end user is the cornerstone for designing the best digital experience and meeting customer expectations. Increased globalization and strict data privacy laws (e.g., GDPR) are factors affecting our success and are therefore important to consider when designing new digital tools and services with a focus on user experience, personalization and accessibility. Critical factors such as legislation and regulation have prompted enhancement to geolocation and map services on the website.



## PATHWAYS

We continue to focus on improving the Pathways digital learning experience by designing new tools and services. Our new digital *Navigator* provides a rich user experience with videos, and it is now available on all devices. Other improvements underway include a Pathways onboarding program, new online evaluation forms and ultimately, a better learning management system. The implementation of the Enterprise Resource Planning system remains essential in leveraging advanced technologies, such as artificial intelligence and predictive analytics, to meet customer expectations. This then allows for personalized strategies and better support for members and leaders in their Pathways digital learning experience.

Since the rollout of Pathways was completed in May 2018, the adoption rate has continued to climb. As of December 31, 2018, the global adoption rate is approaching 60% and more than 160,000 members have enrolled in 215,586 paths.

In February 2019, an 11th path, Engaging Humor, was added to the existing 10 paths. The Engaging Humor path focuses on understanding humor and building a collection of humorous stories and anecdotes to enhance any speech. In the first week after it was launched, 241 members selected the Engaging Humor path as either their first or subsequent path.

The most popular path continues to be Innovative Planning (28.2% of members). Projects on this path focus on developing skills for connecting with people, presenting proposals and managing projects. The second-most-popular path is Presentation Mastery (15.3% of members) followed by Dynamic Leadership (14.8% of members).

More than 16.3% of Pathways participants have completed Level 1 of their paths.

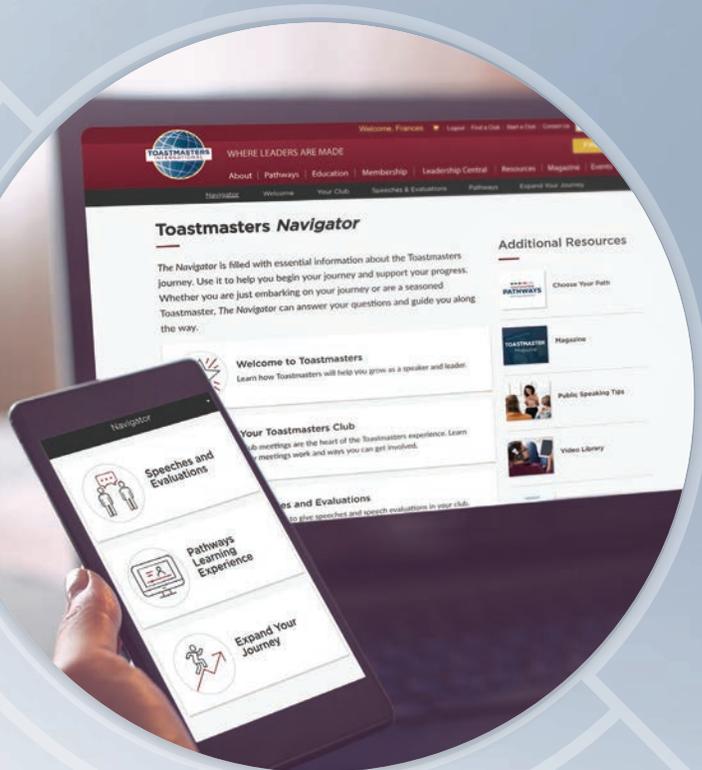
Individual achievements since the launch of Pathways include:

- 27,395 Level 1 awards
- 7,977 Level 2 awards
- 3,085 Level 3 awards
- 1,569 Level 4 awards
- 743 members have completed an entire path
- 20 Pathways members have earned Distinguished Toastmaster awards

The demand for taking Pathways online has far outweighed the demand for print paths. Less than one percent of members have opted for the print version of Pathways.

After English, Simplified Chinese is the most widely used language in Pathways, followed by Spanish, French and Arabic. Currently, no new paths are in development.

The Pathways learning experience continues to expand Toastmasters' position as a leading provider of leadership and communication skills. With an emphasis on individualized learning, real-world applicability and mobile access, it meets the goals set by the Board of Directors in 2010 and the expectations of our evolving membership.



## MARKETING AND PROMOTION

### #MyWhy Campaign

The #MyWhy campaign kicked off in the fall of 2018. Toastmasters World Headquarters produced 10 videos depicting members of diverse backgrounds that received over 115,000 views on the Toastmasters social media channels. More than 150 members have shared their #MyWhy on Facebook, YouTube, Twitter and Instagram. The #MyWhy webpage has received 6,000-plus visits.



### Advertising Pilot Test

To take Toastmasters beyond being known as a “best-kept secret,” a U.S. advertising pilot was launched mid-January 2019 in California and Florida. The test includes several types of digital advertising: display, native, LinkedIn and retargeting ads. During the first month of the three-month test, the campaign resulted in over five million impressions, indicating that the campaign’s goal of building brand awareness is off to a good start.

### The Wow!Factor Project

The Wow!Factor Project launched in January 2019 to raise the bar for clubs across the globe to become more uniform and top-performing. This will be a year-long campaign. As of February 15, 2019, The Wow!Factor Project has reached over 140,000 people on Toastmasters social channels. The kickoff video has received over 9,000 views, and another video to inspire members will follow in early March. The Wow!Factor Project webpage has received nearly 5,000 visits.

### Social Media

Toastmasters International has a social presence on Facebook, LinkedIn, Instagram, Twitter and YouTube. We continue to grow our presence on all of our channels. YouTube, Facebook and LinkedIn have the largest followings. Social media has become a platform for many successful marketing campaigns.

## PUBLICITY

In the last six months, Toastmasters International has received positive media coverage in broadcast, print and online publications. That coverage has resulted in more than 13,000 Toastmasters feature stories and mentions that have reached millions of people. Prominent examples of publicity for the organization include feature stories by *Business Insider*, *Forbes*, *Fortune*, *MSN*, *Parade Magazine*, *The Washington Post*, *U.S. News & World Report*, *Yahoo News*, *CTV News* in Canada, the *Daily Financial Times* in Sri Lanka, *The New Indian Express* in India and *The Herald* in Zimbabwe. Our widespread media coverage is repurposed on Toastmasters social channels, helping to drive overall exposure and awareness of the organization.

## TRANSLATIONS

Pathways will soon be available in two new languages: Korean and Tamil. These two languages will roll out simultaneously with two paths at a time, for a total of five rollouts. The first two paths, Presentation Mastery and Leadership Development, will be available around September 2019. The new Pathways path, Engaging Humor, is also being translated. It will be available in Arabic, French, German, Japanese, Portuguese, Simplified Chinese, Spanish and Traditional Chinese later this year, and will be translated into Korean and Tamil after the initial rollout of these two languages.

Three marketing items, *Find Your Voice*, *Your Path to Leadership* and the *Navigating Pathways* flier were translated into the following nine languages late last year: Arabic, French, German, Japanese, Portuguese, Simplified Chinese, Spanish, Tamil and Traditional Chinese. These items will soon be available in Korean, as well.

## WORLD HEADQUARTERS WORKPLACE

Toastmasters' staff count remained stable throughout 2018 with the transition from California to Colorado. The total employee count on January 1, 2018 was 144 and a year later it was 147.

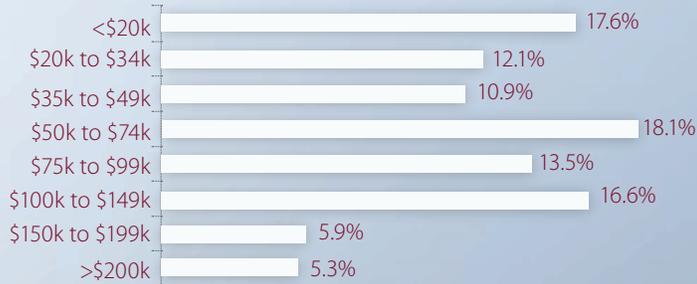
Though we currently have seven positions to be filled, the last quarter of 2018 introduced a new challenge: Instead of primarily focusing on finding and attracting new employees, the focus changed to onboarding and developing the newly-formed team. Beyond first-day new-hire orientation, a variety of programs have been implemented to help employees increase their understanding of our business and develop the skills needed to achieve the organization's objectives.



# MEMBER DEMOGRAPHICS

## INCOME

(n =4,999)



Annual Household Income in \$USD



### High Earners

Approximately 27.8% of members are in households earning \$100,000 or more, and 41.3% earn at least \$75,000 per year.

## Position

(n =4,329)



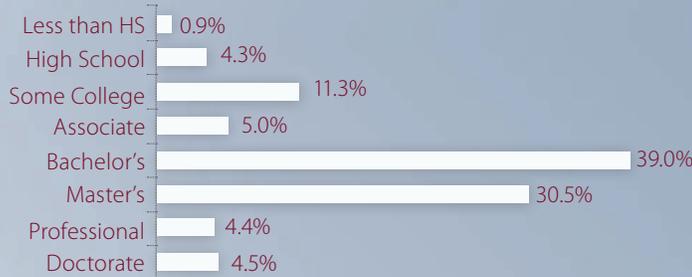
## Industry

(n =4,312)



## EDUCATION

(n =5,475)

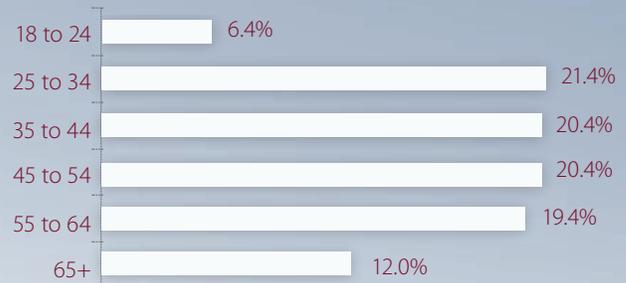


### Highly Educated

Toastmasters members are a highly educated population. Over 75% have at least a bachelor's degree or higher and nearly all members (94.7%) have attended college.

## AGE

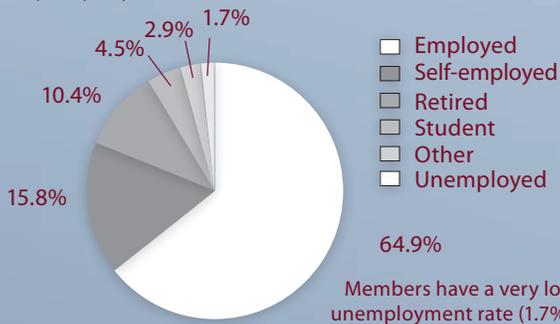
(n =5,499)





## EMPLOYMENT

(n =5,466)



Members have a very low unemployment rate (1.7%).

## GENDER

(n =5,510)



## LANGUAGES

(n =5,268)

### Multilingual

Approximately 11.8% of members speak more than one language proficiently.

Hello!	iHola!	नमस्ते!	你好!	Bonjour!	Hallo!
82.5%	5.6%	5.6%	4.5%	4.0%	2.2%
English	Spanish	Hindi	Chinese (Mandarin)	French	German

### Sampling

A stratified sampling method was implemented to select a representative sample of Toastmasters members for the online survey. A total of n=5,510 members completed the survey, giving the results a +/-1.3% margin of error with a 95% confidence interval.

2.8 Average Household Size

18.9% Survey Response Rate

101 Countries Participated

**MARCH 2019 CEO REPORT**

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