

C E O R E P O R T





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.

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From The CEO

At Mid-year Training in January 2018, I was heartened by an observation: District leaders who have experienced the Pathways launch in their districts positively support the new learning program and have found ways to overcome the challenges of leading and managing the early stages of preparation and transition. Leaders from districts where Pathways had not yet launched exhibited some level of fear, worry and doubt about Pathways and the launch.

Those leaders whose districts had launched stood and, with knowing smiles, expressed their understanding of those sentiments and concerns, and then kindly explained how they had successfully handled the issues. They were clear: Significant change is not easy and inevitably brings expected and unexpected obstacles.

I could see the sense of satisfaction and accomplishment emanating from leaders who had faced their challenges, addressed them and continued into a new future.

As leaders, every one of us looks into the future each day and decides how to approach change. Change is inevitable, often painful and always necessary. Many of us create plans, consider contingencies and alternatives, and positively anticipate the future. Others choose to hold on to the past, challenging the reality of change and criticizing those who lead into the future.

John Kotter, author of the book *Leading Change* and a recognized expert on change management, tells us:

“The rate of change is not going to slow down anytime soon. If anything, competition in most industries will probably speed up even more in the next few decades.”

As leaders, past leaders and future leaders, we must intellectually understand and accept that rapid change is continuous, difficult and necessary. We must be prepared socially and emotionally to lead and support the changes that will enable Toastmasters’ continuing success.

You have my personal commitment to continue to look to the future, embrace the change necessary and partner with all Toastmasters leaders to navigate through it for our continued success. Are you prepared to join me?

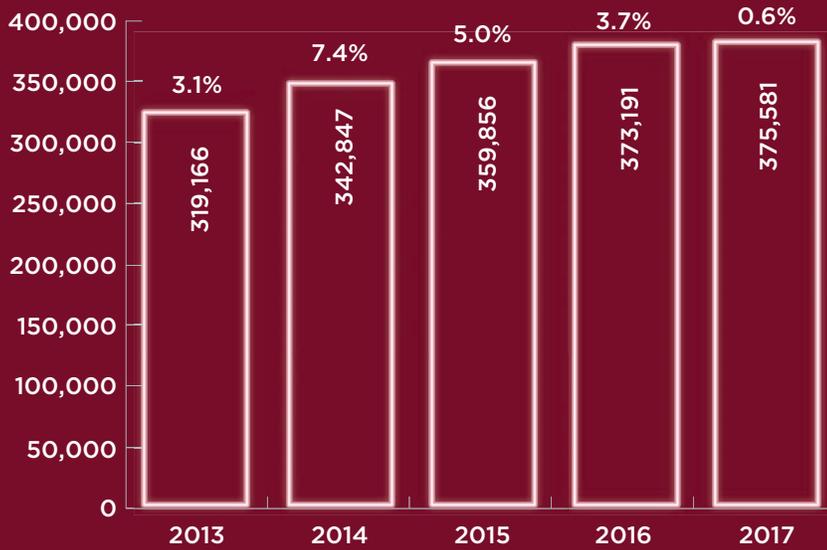


Daniel Rex

BY THE NUMBERS

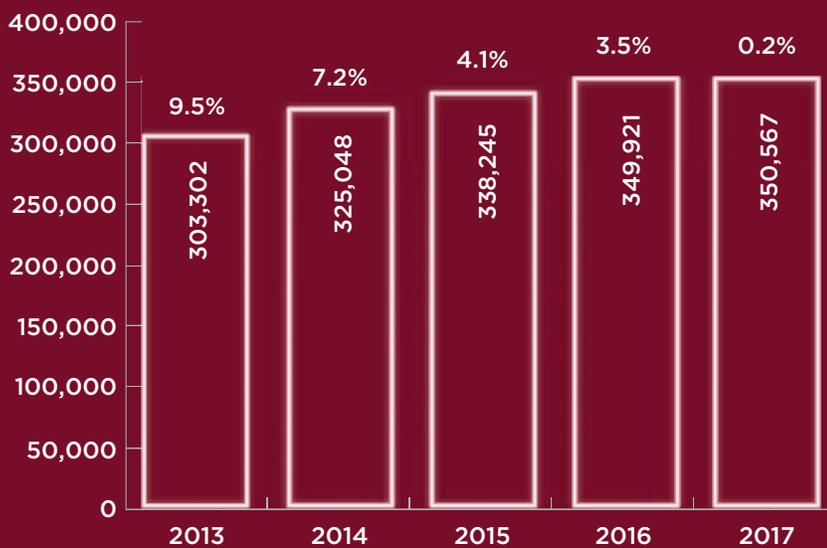
GROWTH & PAYMENTS





Membership Growth

The organization's membership growth was flat as compared to the same period in the previous year. During the last renewal period (April through September 2017), membership grew 0.6% to 375,581. This chart measures membership as of September 30 and includes all membership types.



Membership Payments

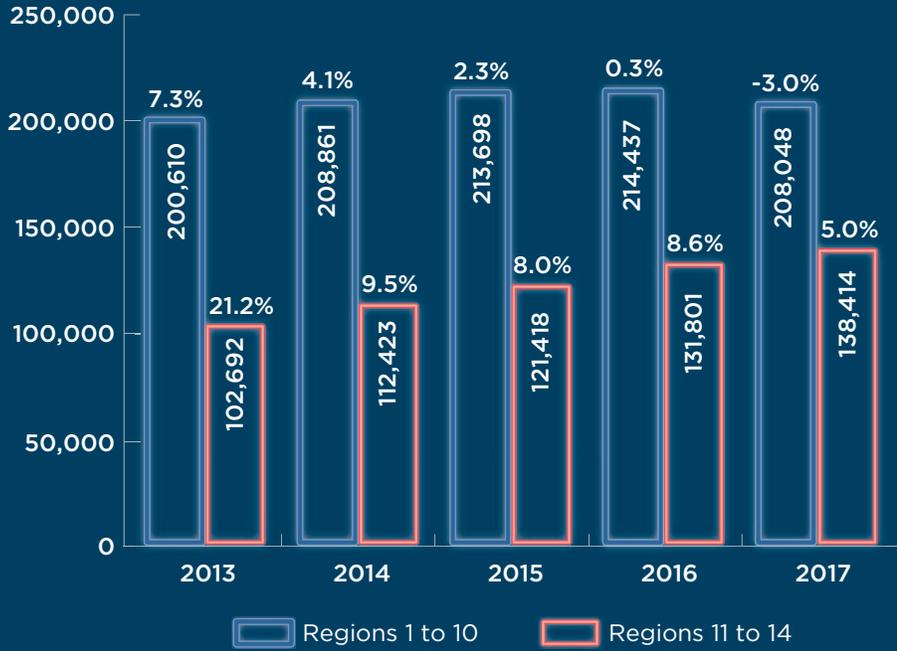
Growth in membership payments was flat for the first six months of the 2017 to 2018 program year (July through December). As of December 31, payments totaled 350,567, a 0.2% increase over the same period in the 2016 to 2017 program year. Membership payments include new, charter and renewing members.

BY THE NUMBERS

GROWTH & PAYMENTS

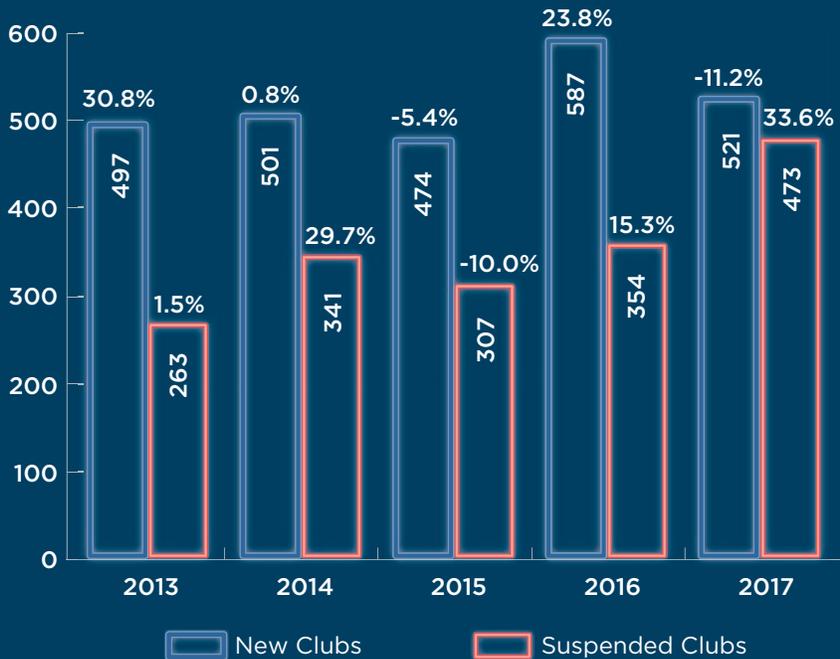


REGIONS 1 TO 10 VS. 11 TO 14



Payments by Region

Regions 1 to 10 are comprised of districts within North and South America, and regions 11 to 14 are outside North and South America. For the first half of the program year, regions 1 to 10 decreased membership payments 3.0%, and regions 11 to 14 increased 5.0%. These payments do not include undistricted clubs.



Club Growth

For the program year to date (July to December), the number of new clubs decreased 11.2% to 521. Additionally, the number of suspended clubs increased 33.6% to 473 compared to the previous program year.

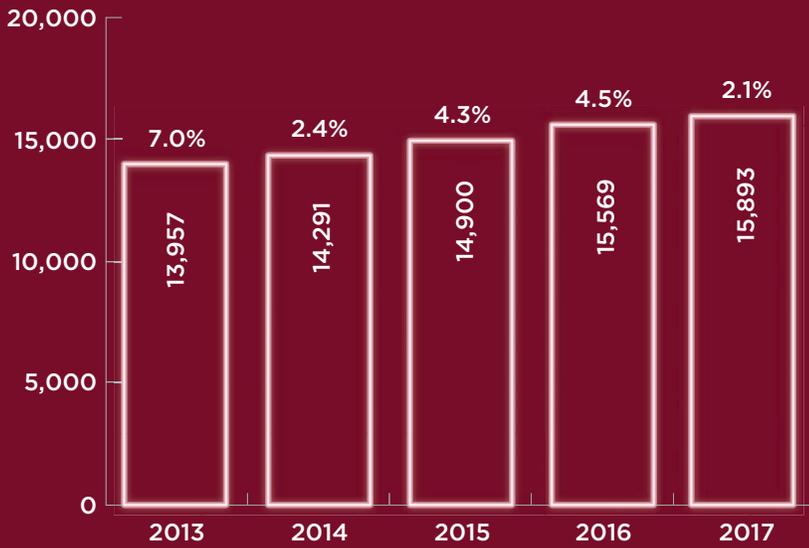
BY THE NUMBERS

DISTRICTS & CLUBS

District Reformations

On July 1, 2018, districts 6, 34 and 72 will reform into districts 106, 113 and 112, respectively. Districts 59 and 95 will reform into districts 59, 95, 107, 108, 109 and 110.

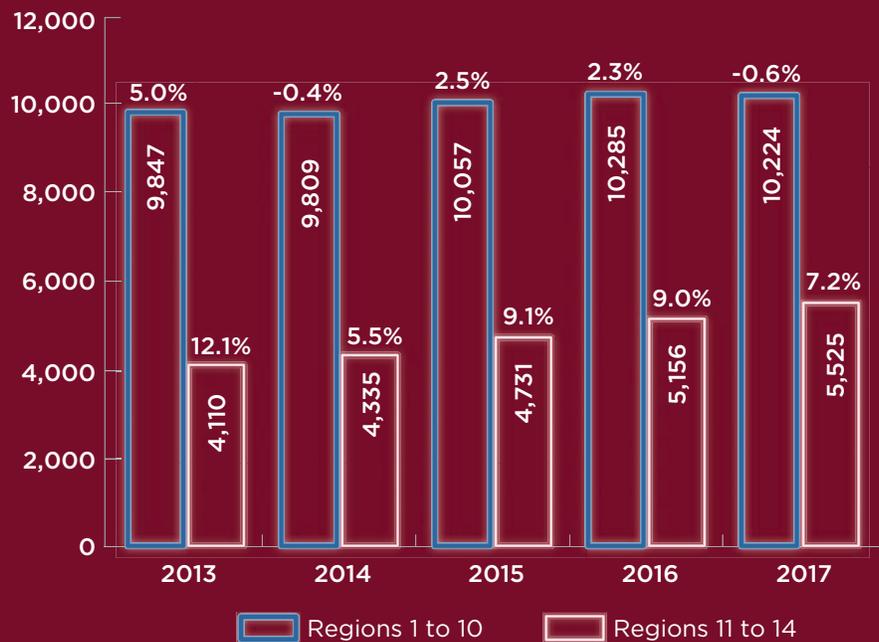
DISTRICT	NEW DISTRICT	REGION	EFFECTIVE DATE OF REFORMATION
6	106	Minnesota and Southern Ontario, Canada	7/1/2018
34	113	Mexico	7/1/2018
72	112	New Zealand	7/1/2018
59, 95	59	Belgium, France, Luxembourg, Monaco and Netherlands	7/1/2018
	95	Denmark, Germany, Norway and Sweden	
	107	Andorra, Portugal and Spain	
	108	Estonia, Finland, Latvia, Lithuania and Poland	
	109	Austria, Bulgaria, Cyprus, Greece, Italy, Liechtenstein, Republic of Macedonia, San Marino, Switzerland and Vatican City	
	110	Croatia, Czech Republic, Hungary, Republic of Moldova, Romania, Slovakia and Ukraine	



Paid Clubs

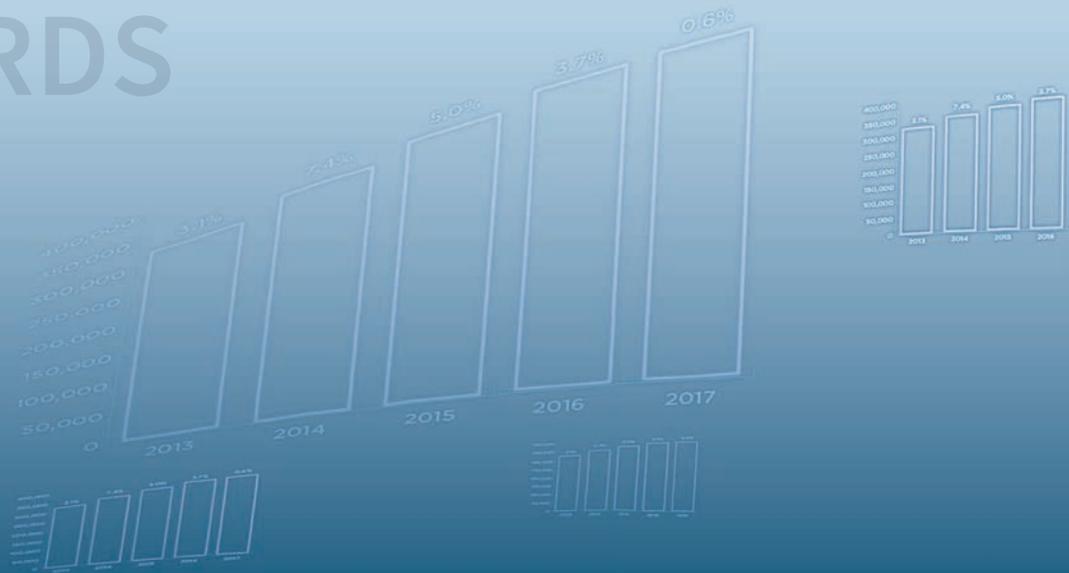
For the first half of the 2017 to 2018 program year, total paid clubs increased 2.1% to 15,893. In regions 1 to 10, paid clubs slightly decreased 0.6% to 10,224. In regions 11 to 14, paid clubs increased 7.2% to 5,525. Undistricted clubs are not included in the paid clubs count by region.

REGIONS 1 TO 10 VS. 11 TO 14



BY THE NUMBERS

AWARDS



LEADERSHIP AWARDS

Traditional Education Awards

The number of traditional education awards (pre-Pathways awards) completed by members has slowed as the result of the launch of Pathways. From July 1 through December 31, Competent Communicator awards decreased 5.1% to 10,395 as compared to the same period in the previous year. Advanced Communicator awards increased 8.5% to 5,318.

All communication awards decreased 0.9% to 15,713.

Competent Leader awards increased 2.3% to 8,084. Advanced Leader awards increased 4.1% to 4,263, and Distinguished Toastmaster awards increased 1.7% to 1,032. Total leadership awards increased 2.8% to 13,379.

Leadership Awards

COMMUNICATION AWARDS

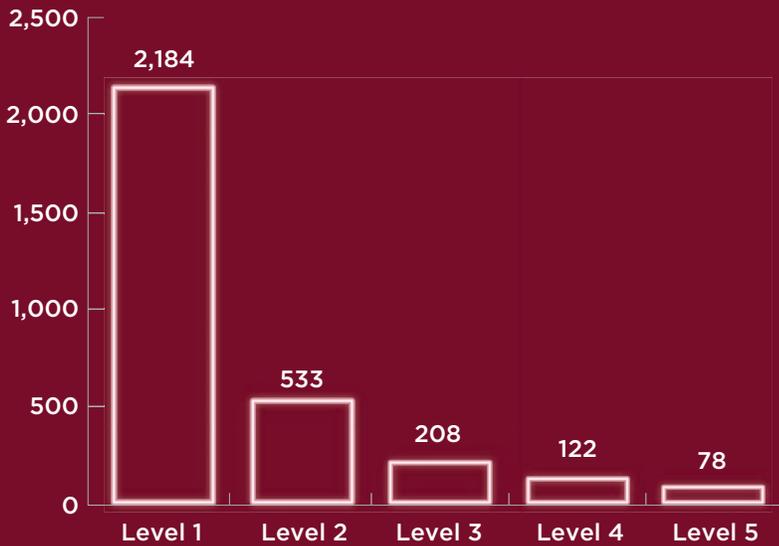


Communication Awards

BY THE NUMBERS

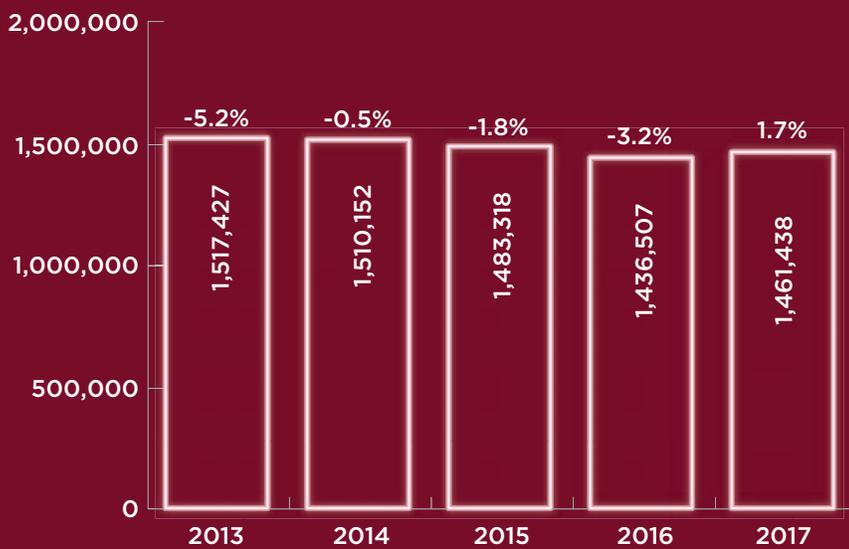
PATHWAYS ACHIEVEMENTS & PRODUCT SALES





Pathways Achievements

The number of Pathways achievements continues to grow. As of March 8, 2018, 2,184 Level 1s, 533 Level 2s, 208 Level 3s, 122 Level 4s and 78 Level 5s have been completed.



Education and Product Sales

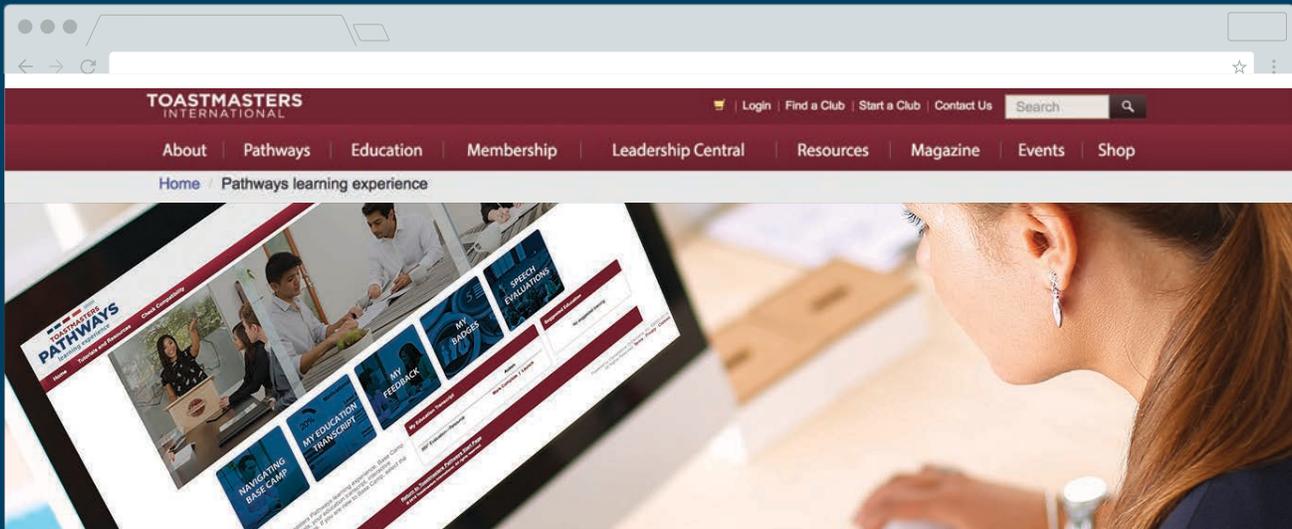
For the first half of the 2017 to 2018 program year, education and product sales increased by 1.7% to \$1,461,438. These sales include education, marketing and promotional products sold through the online store, the store at World Headquarters and at the International Convention.

RELOCATION

The new Toastmasters World Headquarters in Englewood, Colorado, opened in January. Staff relocation from the building in Rancho Santa Margarita, California, continues in stages, while the organization fills open staff positions at the Englewood headquarters. The California building is scheduled to close for business at the end of April.

PATHWAYS

The Toastmasters Pathways learning experience is being rolled out in the remaining regions with an anticipated June completion date. In September 2017, region 2 became Pathways-enabled. The following month, the French version of Pathways was released and the learning experience was initiated in regions 6 and 7. The December rollout involved regions 10 and 12 and the Spanish version was launched. This year, Pathways came to regions 3 and 5 in February. The remaining regions are scheduled to roll out Pathways by the end of the 2017–2018 program year.



CLUB AND DISTRICT CENTRAL RE-ENGINEERED

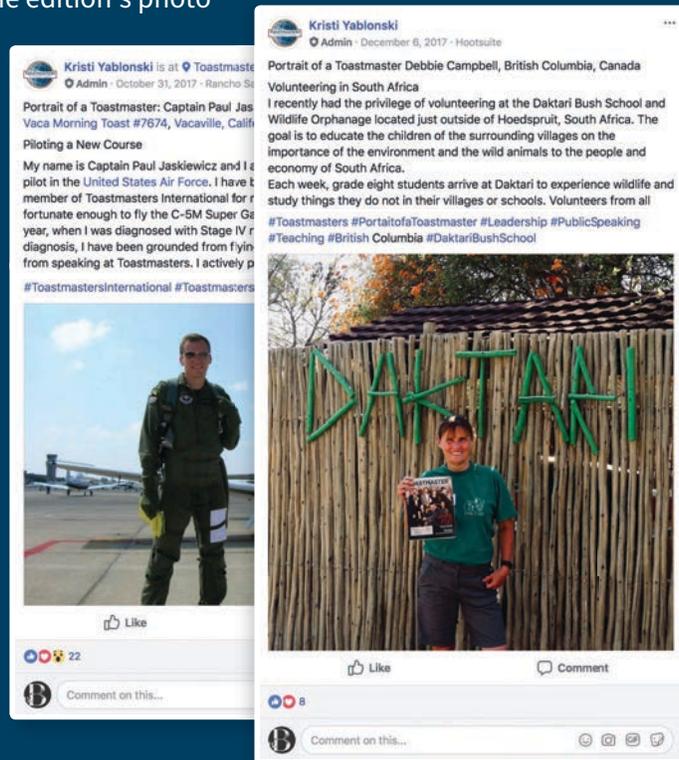
Club and District Central are online portals that support club and district leader transactions. In 2016–2017, the underlying architecture to these portals was replaced to expand the online benefits and services offered to club and district officers.

The transformation of Club and District Central is complete. The updated website features a robust new architecture, provides a better user experience and can be viewed on devices of any screen size. Additionally, the new design prepares the Club and District Central portals for self-service, where members and prospects can join and pay dues online. Member feedback to these improvements has been positive.

MARKETING INITIATIVES FEATURING MEMBERS

Toastmasters members are an integral part of marketing efforts and are regularly featured in our communication channels, including the *Toastmaster* magazine (online and print editions), photo contests, social media campaigns and www.toastmasters.org. Some of the most prominent and popular ways members are recognized include:

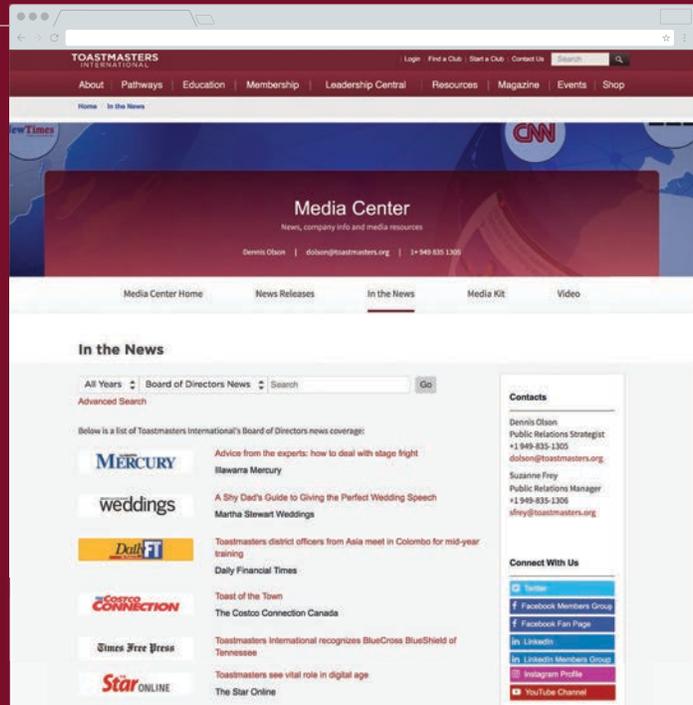
- **Traveling *Toastmaster*** – A regular page of photographs in the *Toastmaster* magazine where members from around the world pose with an issue of the magazine. Each month, four photos are featured in print, and additional images are published in the online edition’s photo gallery.
- **Portrait of a Toastmaster** – Recurring social media posts featuring a member photo and a 300-word personal story. These posts share inspirational aspects of a member’s Toastmasters journey by providing a glimpse of how their Toastmasters experience helped them succeed in life.
- **Brand Photo Contest** – A monthly contest where clubs can win a \$100 credit toward purchasing branded club materials in the Toastmasters store. Clubs enter by submitting a photo of their members showing excitement for the Toastmasters brand, and each month the winning club’s photo is shared online.
- **Member Connections** – A feature spotlighting photos submitted by members depicting club celebrations, outings, meetings and other fun events. A single photo appears in the *Toastmaster*, and additional photos are published in the digital magazine and across various social media channels.
- **Testimonial Videos** – These videos are published online throughout the year and highlight members sharing how Toastmasters and the new Pathways learning experience have benefited their lives. The videos are shared across social media channels and in *The Leader Letter*.



The dedication and passion of members have always been vital to the success of Toastmasters International. Club members are the organization’s most faithful advocates, and highlighting their enthusiasm in marketing efforts will remain a central focus moving forward.

PUBLICITY

Toastmasters International has received positive media coverage on television, radio, in print magazines and newspapers as well as news websites in the last six months. Prominent examples of the high-quality, valuable publicity for the organization include feature stories by *AARP The Magazine*, *BBC World News*, *Business Insider*, *CNN*, *The Costco Connection*, *Forbes*, *NBC News*, *Teen Vogue*, *U.S. News & World Report*, *USA Today*, the *Daily Financial Times* in Sri Lanka, *The Guardian* in the United Kingdom and *The Indian Express* in India. Our widespread media coverage is repurposed on Toastmasters' social networks, helping to drive the number of fans and followers of the organization.



DIGITAL TRANSFORMATION

Implementing a new Enterprise Resource Planning (ERP) platform is the foundation of our digital transformation. Multiple teams at World Headquarters continue to analyze and enhance business processes that will improve transaction and communication systems. These discoveries aid in designing and creating time-saving digital tools and services to enhance every member's and leader's digital experience. Ultimately, the new platform will offer new business capabilities to support the organization's strategic objectives.

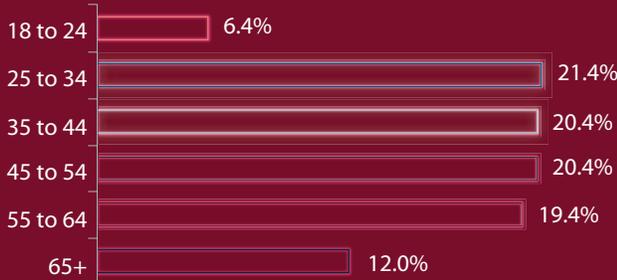
The My Profile portal on the Toastmasters website has been revamped to improve each member's digital experience and provides easier access to their activities, awards and achievements. A new and favorite feature is the easy access to the Pathways learning experience. In addition, leaders can easily access Club and District Central directly from My Profile. Members can manage their information and activities in a user-friendly and responsive design. My Profile will become each member's gateway to personalizing their digital experience.

The Leadership Central portal, which provides access to tools for club and district leaders, continues to be augmented with new digital tools and services to improve each leader's digital experience. The primary improvements are new and improved reports to help manage tasks and information more efficiently. Another tool to help district leaders, the automation of the new club formation process, is currently under development.

MEMBER DEMOGRAPHICS

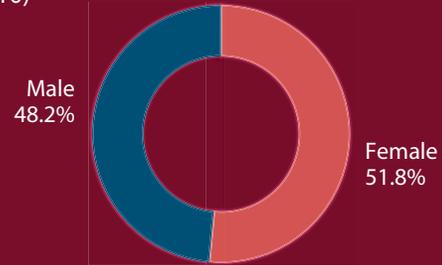
AGE

(n =5,499)



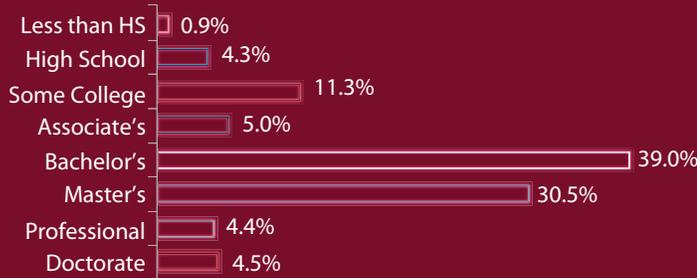
GENDER

(n =5,510)



EDUCATION

(n =5,475)

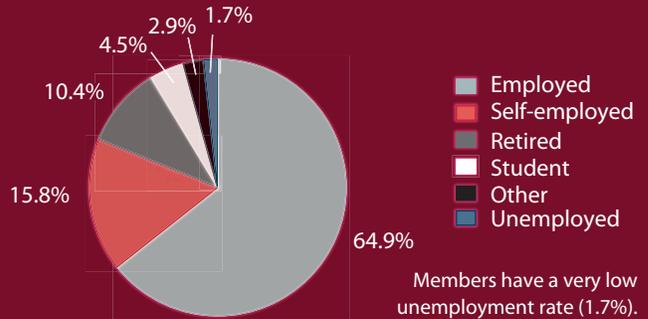


Highly Educated

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.

EMPLOYMENT

(n =5,466)



Position

(n =4,329)



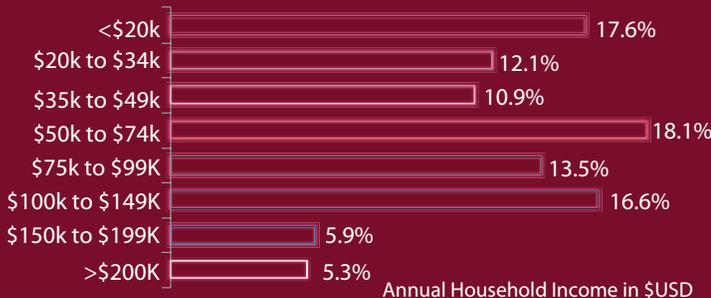
Industry

(n =4,312)



INCOME

(n =4,999)



High Earners

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

LANGUAGES

(n =5,268)



Multilingual

Approximately 19.1% of members speak more than one language proficiently.

2.8 Average Household Size

18.9% Survey Response Rate

101 Countries Participated

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.

TOASTMASTERS
INTERNATIONAL

March 2018 CEO Report