



National Conference 2009

Proud to be the **main** sponsor

Fairway Credit

The simple solution to driving affordable golf

- Continued support to the  **GCMA**
GOLF CLUB MANAGERS ASSOCIATION
- Continued sponsorship of Regional meetings
- Continues to provide income to our clubs – **Loyalty programme**
- Golf Club Finals – Held at Staverton Park

- Working with  **ENGLISH GOLF UNION** to provide:
...at the heart of golf
 - *Affordable golf to the grass roots of the game – the club itself.*
 - *Increase overall club membership*
 - *Provide additional income streams*



Staverton Park Finals – 1st Prize



Mark Dempster presenting to **Matthew Bowman, King's Lynn GC**



Staverton Park: Team Prize



Previous years winners
for team prize:

- **2008 - South West**
- **2007 - Wessex**
- **2006 - Norfolk**
- **2005 - Scotland**

Team prize: Norfolk Region: **Ian Symington, Matthew Bowman,**
Hilda Simpson (Fairway Credit), John Barnard





Credit Matters

By : Mark Dempster

Head of Product & Market Development

Key Points

- **Cash is king** and a good cash flow is essential to running a successful business.
- Managing the raising and payment of invoices can be **complex** and **time consuming**.
- *Manage your Cash Flow to get the best out of your cash through the use of credit*
- Barriers to entry should be low to attract new members
 - Price correctly to display value for money.
 - Offer flexible payment options to meet their needs. But keep within club's **cost of capital**.
 - Welcome members
- Barriers to exit should be high - **Members can shop around**
 - Constitution – Annual invoice is due
 - Overdue subscriptions will be chased and charged extra
 - Strong Credit Strategy
 - Consumer credit licence – display ability to sue
 - Communication with member to work out solutions
 - Flexible membership options – e.g. House member



- **Average family disposable income** – dropped by more than £150 a year ([timesonline](#) – Feb 2009)
 - **Main reasons are rising unemployment and weaker earnings growth**
(Centre for Economics and Business Research (CEBR))
 - **UK unemployment climbs to 2.47m** (*BBC 2009.09.16*) –
 - **“lost generation” of young people**. Aged 16-24
 - Set to increase to **3.00m** by 2010.
 - Unemployment is a lagging indicator
- A large number of **Clubs’ equity is decreasing** – related mainly to lower working capital
 - There are a number of performers – Clubs looking for that competitive advantage, whilst maintaining costs
 - There are a number continuing to make losses





What does Credit mean to a Golf Club?

Giving your members **credit** may be good for sales but without the right procedure to collect instalments, it will have a negative impact on your business.

Be aware of new legislation – 2010

Irresponsible Lending Guidelines - In draft but due early 2010

Consumer Credit Directive (CCD), European legislation due 11th June 2010



Do you have a **Credit Strategy**?



Credit Strategy

Is Raising an Invoice an “act of faith”?



Credit Management

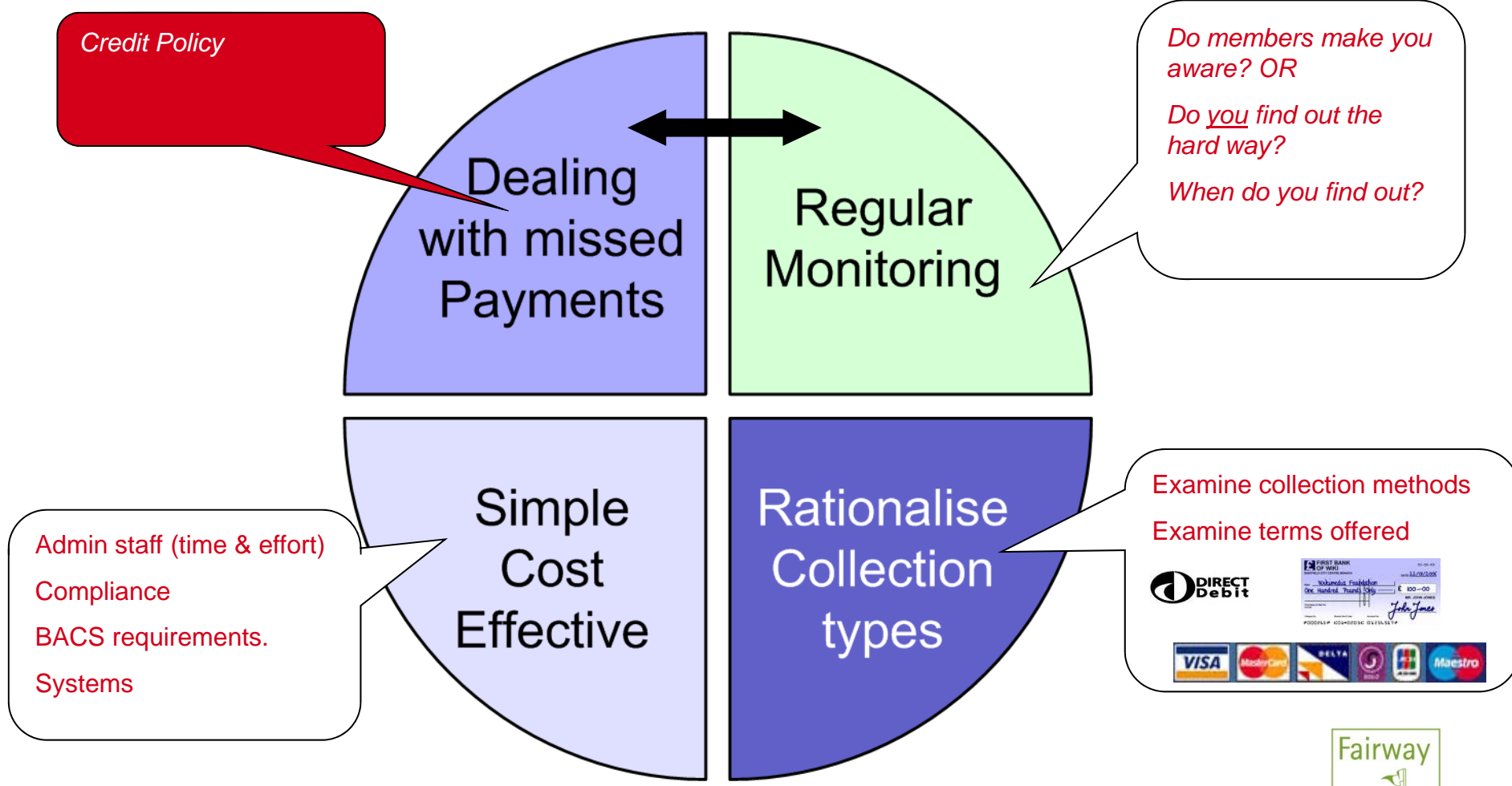


Credit Strategy

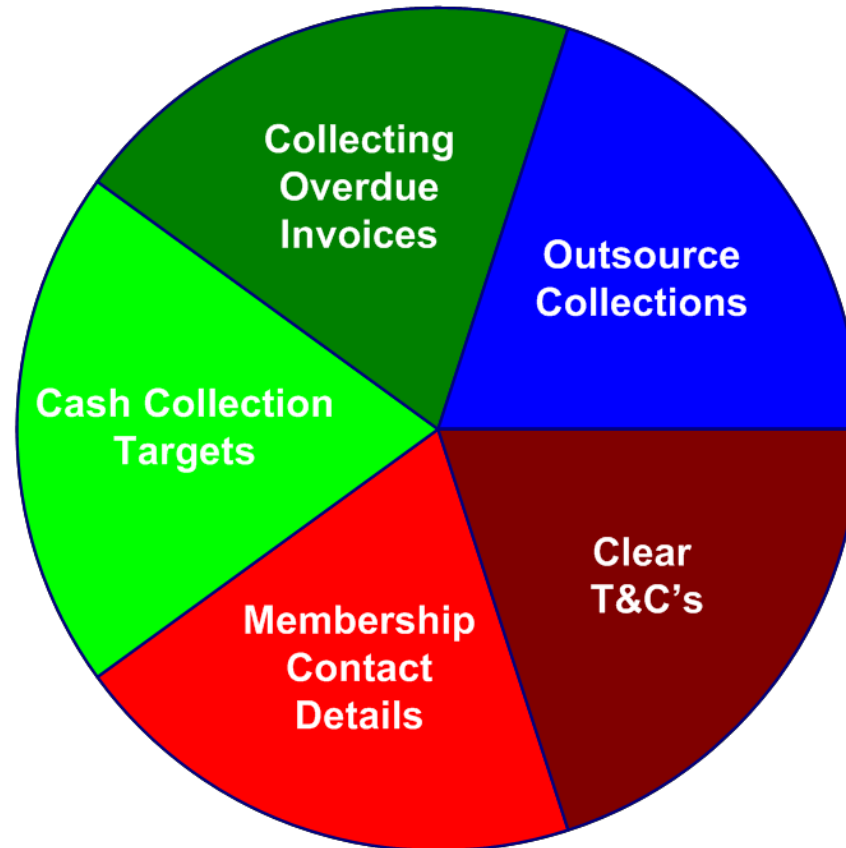
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Credit Management



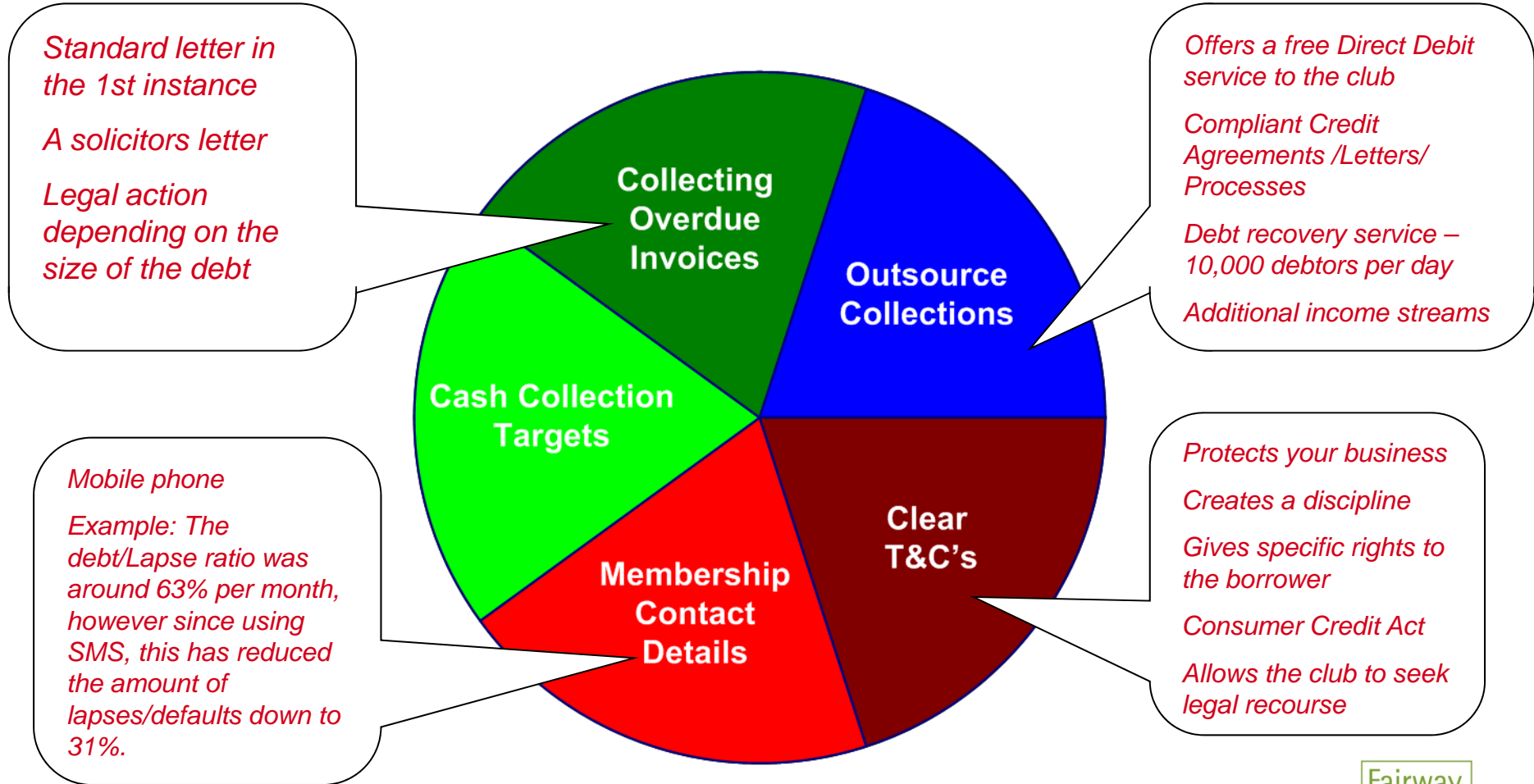
Credit Policy



Credit Policy



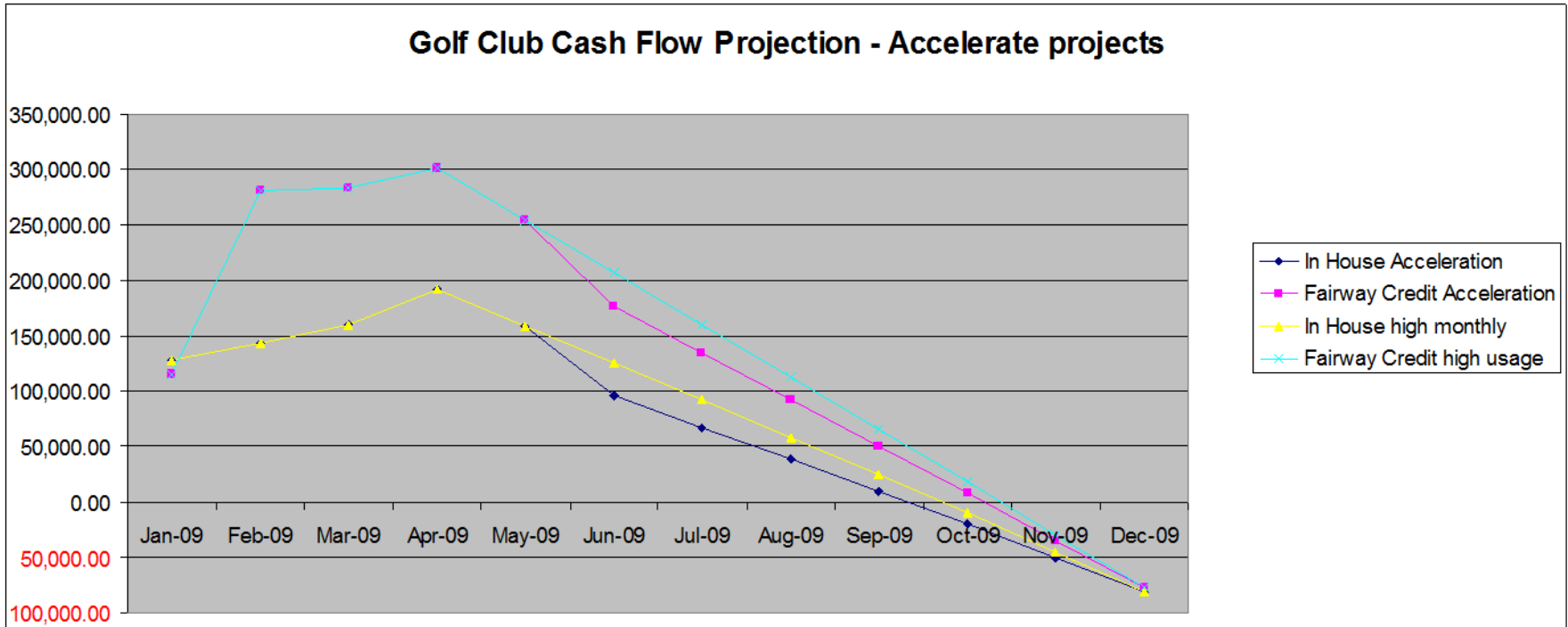
Credit Policy



Credit Policy



Accelerated Projects



Attracting & Retaining Members

Marketing Strategy

- Ability to offer new members the option to pay monthly.*
- Reduce the impact of a joining fee*
- Ability to make the club more affordable for families*

Attract Pay and Play (1.4m) golfers to join your club

- How many are unaware of monthly instalments?*
- Or the reciprocal arrangements – other clubs?*

Review Membership categories

- Family incentives are a great way to swell the membership*

Establish why members leave

- Was it due to affordability?*

Listen to existing & new members

- They may want to pay monthly but do not want to show weakness*



Conclusion

Credit makes membership financially acceptable to all.

- It is simple, easy to use
- Fits in with existing monthly bills - Convenience
- Adds value to new and existing members
- Maximises club's cash flow

Discuss payment terms – full or instalments

- Make members & prospective members aware of your credit policy
- Advise who collects your subs and how it operates.
- Ensure they understand the rights & obligations of the club and the member



Thank you

