



Golf Club Membership – What next?



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Succeeding Through Change

Standards of Dress

But whose standards?

Just think about it!

- Nothing changes faster than fashion
- Nothing changes slower than golf clubs
- Majority of members are elderly
- Standards of dress reflect age of members
- If you want younger members
- You must consider their standards
- Don't assume modern = bad



Succeeding Through Change

Traditional Golf Club Membership

- A Thing of The Past ?

FACT

Traditional golf club membership
mainly suits one section of
society.....

The Retired

Today's Situation

- Joining & Membership Fees the same for all regardless of usage
- The assumption that competitions are king
- No regard for contemporary dress taste
- Unimaginative catering (Meat & 2 veg)
- General reluctance to change

Aims and Objectives

- A Membership system that is fair to all
- The more you play the more you pay
- The less you play the less you pay
- A more relaxed atmosphere
- More family friendly clubs
- Sensible standards and club rules

How Did We Get Here?

- Reluctant to change
- Assumption that the member must suit the club as opposed to the club suiting the member
- The luxury of not having to compete for members
- Generally unwelcoming to societies etc.

Options for Change

- A more flexible approach to membership
- Consider network golf
- Aim to attract 25-50 age group
- Recognition of those who wish to play mainly social golf

Final Thoughts

Up to now it has been the club that chooses the member

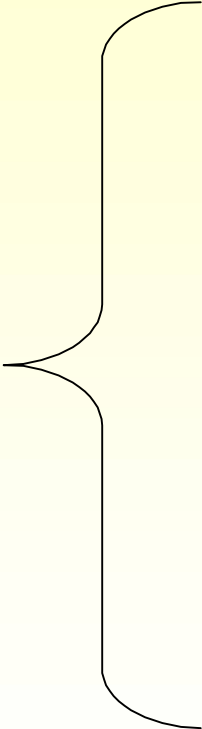
From now on – it is the member that chooses the club

Make sure it's your club they choose



Golfers – Customers – Members

Survey of customers

- Arrival
 - Course
 - Clubhouse
 - Changing Rooms
 - Pro Shop
 - General
 - Comments
- 
- Excellent
 - Good
 - Average
 - Below Average
 - Poor

Flexible Membership

The logical way forward in
golf club membership

Traditional Membership

- One size fits all
- High start-up costs
- Mainly suited to the retired
- Low revenue per round
- Encourages member to play often
- Potential for uneven wear of course

Flexible Membership

- No joining fee
- Low annual membership
- More affordable fee per round
- Appeals to those in full-time work
- No complaints when course closed
- Less wear on course
- Higher revenue per round
- Lower age profile of member

Research

- Analysis of existing members rounds
- Estimated cost per round to prepare course
- REVPAR
- What / if scenarios
- SWOT of competitors

COST OF PREPARING COURSE PER ROUND PLAYED

Description	Amount		
Wages	£14,000.00	Misc Course Expenses	£200.00
Grass Seed	£300.00	Equipment Rental	£500.00
Stones & Sand	£600.00	Lease/ rent	£200.00
Fertilisers & Chemicals	£350.00	Marketing	£300.00
Fuel	£1,000.00	Printing	£600.00
Machinery Hire	£2,000.00	Misc Office Expenses	£50.00
Estate machinery	£50.00	Subs & Journals	£300.00
GC Furniture	£250.00	IT	£80.00
Vehicles	£50.00	Repairs	£2,350.00
		Maintenance/Machinery	£1,750.00
			£24,930.00
		Rounds played in month	2,500
		Cost per round	<u>£9.97</u>

Cost of Course Preparation per month /day

Assume monthly cost = £25,000

Then daily cost = £833 (per 30 days)

Rounds available per day (Winter) = 126
(until 1.00pm)

Rounds available per day (Summer) = 204
(Based on 3 ball every 8 mins until 4.30pm)

Membership Models

CURRENT MEMBERSHIP

Number of members	Membership Revenue	Yield per Member	Yield per Month
550	£293,857	£534	£45

PAY AS YOU PLAY MODELS

Number of members	Annual Membership	Summer Green Fee	Winter Green Fee
550	£200	£10	£7
	£100	£8	£5
	£100	£7	£4

Summer = Apr 1 - Oct 31

Winter = Nov 1 - Mar 31

What / If scenarios

ANNUAL MEMBERSHIP	£200	£200	£200	£100	£100	£100
Summer Green Fee	£10	£8	£7	£10	£8	£7
Winter Green Fee	£7	£5	£4	£7	£5	£4
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2 Rounds Sum/ 2 Winter	£1,120	£912	£808	£1,020	£812	£708
2 Rounds Sum/ 1 Winter	£790	£620	£535	£790	£620	£535
1 Round Sum/ 1 Winter	£660	£556	£504	£560	£456	£404

What / If scenarios (contd)

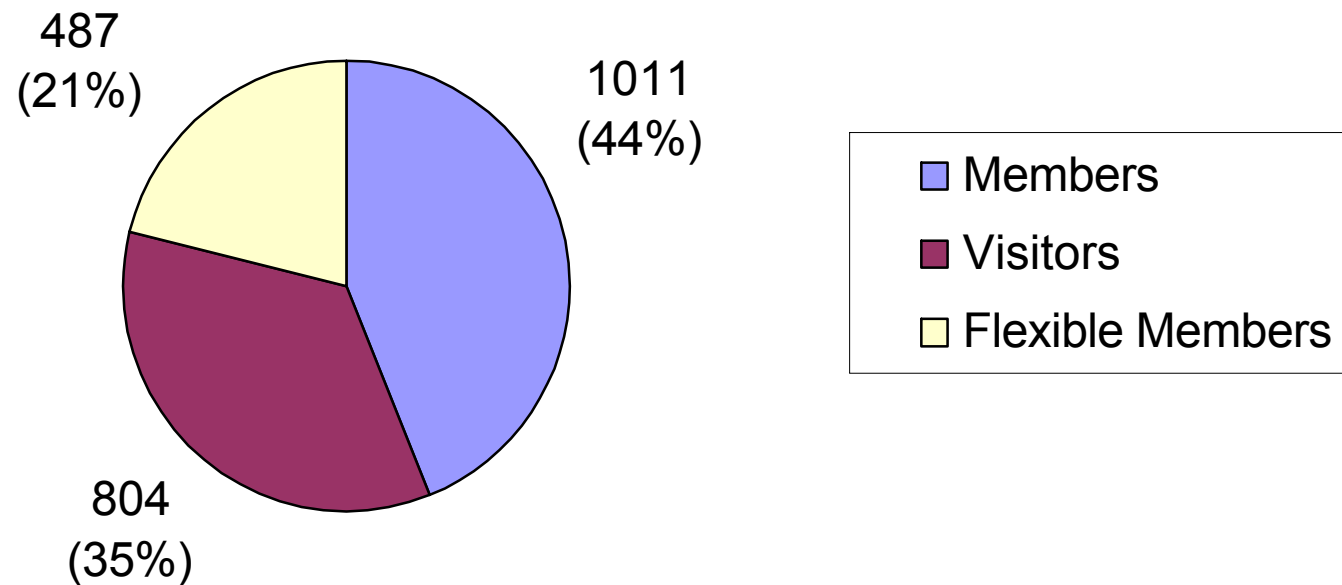
TOTAL REVENUE for 100 members

Nos of rounds:

2 Sum/ 2 Winter	£112,000	£91,200	£80,800	£102,000	£81,200	£70,800
2 Sum/ 1 Winter	£79,000	£62,000	£53,500	£79,000	£62,000	£53,500
1 Sum/ 1 Winter	£66,000	£55,600	£50,400	£56,000	£45,600	£40,400

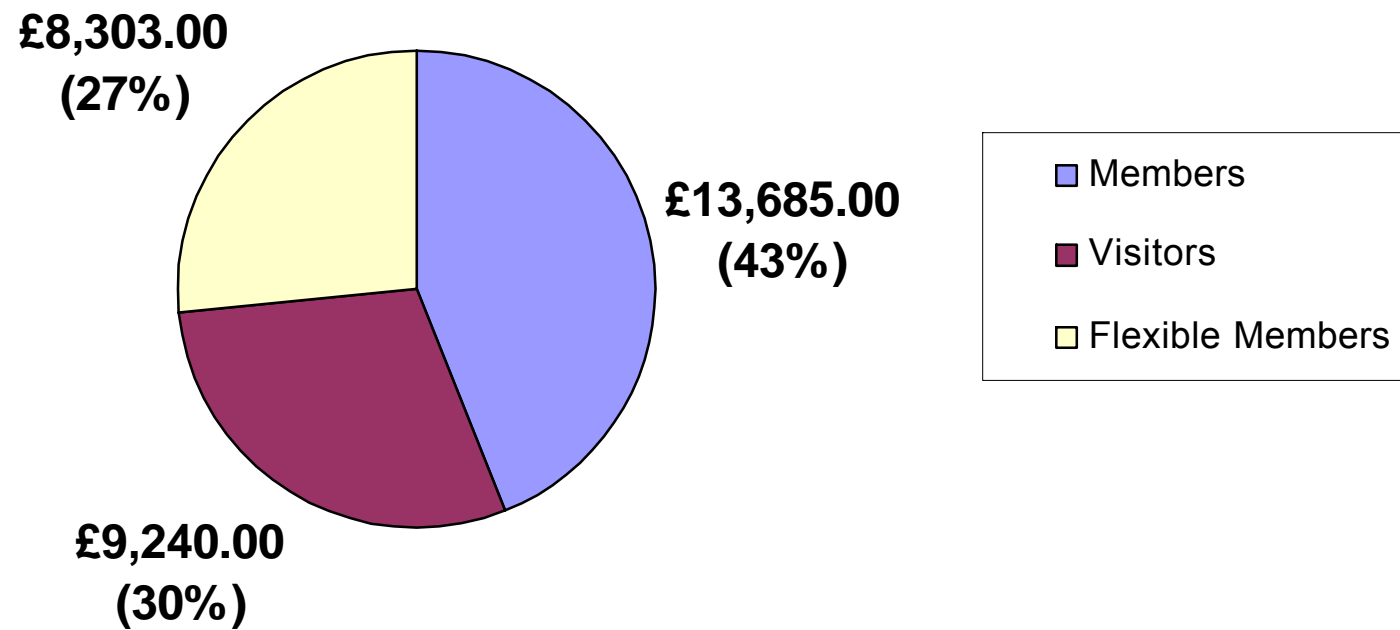
Golf Rounds by Category

Golf Rounds Oct 2008



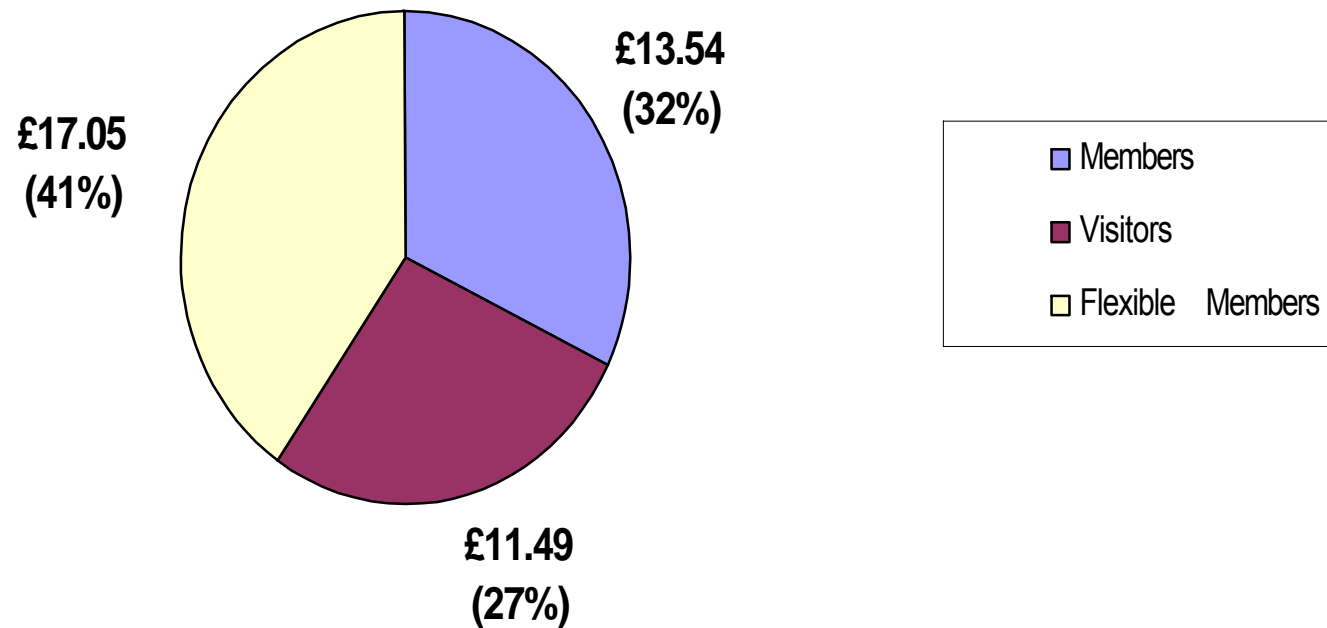
Revenue by Category

Golf Revenue Oct 2008



Yield per Round

Yield per Round (net of VAT)



Age

Average age of traditional member = 59

Average age of flexible member = 45

Action Plan

- Introduce flexible membership alongside existing
- Set an initial target number
- Ensure new members pay membership by annual DD
- Monitor rounds played

Emphasise health benefits

Meet interesting people

Enjoy the social side of golf

Golf in beautiful locations



November 2009

Golf Club Managers' Association

33



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No limits



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Get closer to nature



Make sure the membership you offer is
attractive to a wider audience

The future of your club depends on it



Golf is your business

Golf Club Marketing



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Marketing

To make a communication about a product or service, a purpose of which is to encourage recipients of the communication to purchase or use the product or service.

The way a business organization identifies its customers, defines and develops the products or services that its customers want, and sells and distributes those products or services to customers.

Topics of Discussion

- What are you trying to achieve?
- Customer profiling
- Advertising & advertising media
- Sponsorship
- Branding
- Return on investment
- Public relations



What Are You Trying to Achieve?

- Increase in member numbers
- Societies, green fees, Corporates
- Secondary spend
- Non golf activity
- Specific targets (juniors, ladies, men, vets???)
- Or anything to increase bottom line profit

Customer Profiling

- Identify your target market
- Social grading
- What do they read?
- Where do they go?
- Where do they live?



Approximated Social Grade

- AB = higher and intermediate managerial/administrative/professional
- C1 = supervisory, clerical, junior managerial/administrative/professional
- C2 = skilled manual workers
- D = semiskilled and unskilled manual workers
- E = on state benefit, unemployed, lowest grade workers

Advertising

- Where?
- How often?
- How much?
- Design & consistency
- Position of advert



Advertising Media

- Newspapers
- Television
- Radio
- Leaflet drop
- Adwheels
- Website

Sponsorship

- Often done as a favour
- Danger of creating precedents
- Ensure expiry date
- Corporate partnerships can work
- Charity begins at home!!

Branding

- Desired brand image - logo
- Colours – keep it simple
- Multiple use of logo (paper, fabric, golf balls, score cards, planners)
- Consistency



Website

- Clear, concise, uncluttered
- Brand consistency
- Ease of navigation
- A picture paints a thousand words
- Members area – competition results
- Marketing

Return on Investment

ROI = revenue – cost of campaign

Where did you hear about us?

Internal Marketing

- Cheapest marketing is member recommendation
- Regular communication with members
- Notice board consistency
- Staff customer service training

Member Retention

- Regular communication
- Understand competition
- Be self critical
- Maintenance – refurbishment programme
- Put yourself in their place
- Never be complacent

Public Relations (PR)

Public relations (PR) deals with influencing public opinion, through the presentation of a client's image, message, or product

Communications or press coverage that is designed to enhance the prestige or goodwill of a company

Golf Club PR

- Charity days
- Junior academy
- Environmental work
- Professional newsletter or column in local newspaper

Summary

- Identify your target market
- Decide where & how often to advertise
- Use clear concise messaging
- Be consistent with your brand
- Measure & record results
- When you've got em – keep em

And finally.....

Make sure your message is clear and unambiguous.....

Sell your club...
Because no one else will!