



## MEMBERSHIP CATERGORIES

At look at how some golf clubs adopted new methods in keeping their club afloat during these recent economic and weather extremes.

Articles Courtesy of Golf Club Management: 2011 - 2013

### How we secured a massive surplus (Chipping Sodbury GC) - November 2011

Bob Williams (now GCMA CEO) explained to delegates at the GCMA conference 2011 when he was then manager of Chipping Sodbury Golf Club, Gloucestershire, how he turned a large deficit at his club into an even bigger surplus in just two years.

As a result of the economic downturn, the club achieved a deficit of £26,000 in 2008 and one of £22,000 in 2009. However by 2010 this was transformed into a surplus of £26,000 and the club is on course to make a substantial net profit for 2011.

The improvements are due to a series of changes the club introduced.

“For example,” said Bob, “in 2008 we had four membership categories: full, five-day, student and junior. We looked at this and found that we could get more members if we had categories that suited their needs.”

As a result, the club temporarily withdrew its joining fee and introduced a ‘**Flexi-play**’ category that costs £350 to join (full membership is £905) and members can then pay £10 per round thereafter, or £7.50 for nine holes.

“About 90 members joined as a result,” said Bob, “mostly aged 30 to 50 and they have full voting rights. Nineteen did leave the full membership category to join this, but 24 former members who had resigned came back as a result of it. On average, a Flexi-play member plays 15 rounds per year, at an average cost of £33 per round.”

Bob introduced a ‘**Family**’ membership category, which provides a 33 per cent discount to members whose partner joins and allows their children under 14 to join for free.

“We’ve had some success with this,” said Bob, “but it’s been limited.”

The club introduced a ‘**First**’ membership category for people who had never been a member of a golf club before, which includes 25 rounds of golf and six lessons for one year.

“It’s not been massive but it has worked,” said Bob, “40 memberships have been sold since 2009 and 39 of them took up another membership category when the year was up.”

The final new membership categories the club introduced were different prices tiered for under 12-year-olds up to people aged 30. This, especially the 18 to 30 age range, was marketed with its

own brochure to schools and sports' clubs, with prices ranging from under £200 for 18-year-olds to over £600 for 30-year-olds.

“Nearly 100 members joined due to this,” said Bob, “and many of them move on to another category afterwards. It’s also helped us offer competitions between members of the rugby club, cricket club and so on, and the clubhouse is buzzing after these events.”

Aside from membership categories, Chipping Sodbury examined online tee times and brought this in for weekends, when previously the club used paper-based time sheets for Saturdays and Sundays.

“This worked,” said Bob, “we had so much interest, especially in Saturday golf. We even had to limit members’ booking, to prevent block booking. Demand is very high in the summer and it has meant that tee times cannot be guaranteed.”

Another major change was that Bob spearheaded reciprocal relationships with other clubs in the county. The ‘**Bristol RAG**’ scheme was introduced in which 11 clubs are signed up and members of all of them can play at any of the other clubs that are part of the scheme for £10.

“This adds extra value to being a member of my club,” said Bob. “So it’s good for member retention. But it also brings in additional income. The other day 36 members of another club played here, spending £720, including on the bar and restaurant. It was cheap for the amount of people involved, but that was money we would not have otherwise received. The member clubs generally aren’t competitors and each club can control when the tee times can and cannot be used.”

In addition, Chipping Sodbury teamed up with two tourist boards to offer golfing breaks including hotel trips for people wishing to visit the area. The Cotswold Golf Breaks, which now turns over scores of thousands of pounds every year, involves three golf clubs, while Bristol Golf Breaks, involving 11 clubs (“11 I think is too many,” said Bob, “it gives too much choice,”) saw the Bristol tourist board make a professional DVD promoting the scheme and all the clubs and hotels involved, which was put on the Destination Bristol website, ensuring thousands of hits.

In addition, Bob increased visitor income from £40,000 per year to £100,000, partly because each full member has been given three £10 green fee introductions for visitors followed by three free introductions, which also led to two people joining.

“This has been excellent for member retention,” said Bob, “as was giving members free bar spend up to a certain amount.”

Other measures the club brought in included a complete revamp of the website, “the welcoming experience starts with it,” said Bob, and he uses Google Analytics to measure the success of the site. He also surveys every visitor to find out why they came to the club – “generally 40 per cent return, 39 per cent are recommended and 19 per cent come because they’d been on the website, and it’s that percentage which is the growing one.” The club has also set up a wedding brochure and markets itself at wedding fairs, which is leading to bookings. “It’s a superb business on a Saturday evening when it would otherwise be quiet,” said Bob.

In terms of reducing costs, the golf club was also proactive.

“We looked at golf course expenditure,” said Bob. “We were spending too much on our greenkeepers, particularly as our greens were closed for at least two months of the year. So we engaged with them and consulted with them, explaining what our issues were. We reduced the staff from eight course workers and one part-timer to six full-timers and one part-timer, and increased their working hours in the summer, and reducing them in winter, while significantly reducing weekend overtime, which is now incorporated into their wages. This saved more than £43,000 per year and, thanks to the passion of my staff and some investment in course machinery, the greens are open 12 months a year.

“We stopped striping the fairways and now only block cut them, saving more than £4,000 in red diesel per year without affecting the quality of the course.”

Bob concluded:

“Not everything we tried worked and not everything we tried that did work would work at every other club, but these should give you an idea of what can be done. The most important lesson I found when embarking on this change is about communication. You can achieve so much more if you keep your members and staff fully informed throughout.”

### **Gog Magog GC boom in female membership - December 2011**

Four years ago the ladies of the Gog Magog Golf Club in Cambridge took stock of their numbers: they were falling, their age profile was rising and only a trickle of new members were joining. If it continued there would be virtually no-one to replace the current generation.

So they took matters into their own hands. The lady captain and a small group of ladies came up with some ideas which they bounced off the club secretary manager before putting them to the club’s management council for approval. Starting with taster days, and taking advantage of the EWGA (*now England Golf*) subsidy then available to offer group teaching on the basics, they devised a staged programme that would lead people into membership and give them the opportunity to give the game a fair try without having to purchase equipment until they were certain they would want to go on with it.

The programme begins with a few taster days when interested ladies spend an hour on the practice ground with the club professionals and lady helpers, having a go at driving, chipping and putting. This is followed by refreshments in the club when they meet lady members and the rest of programme is introduced to them. They then have an opportunity to have two more free tries of much of the same before moving on to a crash course of group lessons, for which they pay, covering the basics – grip, swing, driving, chipping and putting, and ending with a session on the club’s practice hole.

After that they should then be ready, if they want to continue, to join the final stage which covers playing on the course, basic rules and etiquette. At this point they will need to invest in a basic set of clubs and golf shoes. For a relatively small fee they buy a package which includes vouchers for subsidised lessons, roll-up playing sessions run by the ladies, subsidised green fees

and access to the club facilities. They may only go out with a member at off-peak times and may not play more than nine holes at a time. They may spend up to a year on this stage, though not all need to, before they join the club with a discount on the joining fee. The roll-up sessions take place even if the weather is bad as it provides a good opportunity to talk indoors about rules and etiquette and how to fill in cards.

An important theme throughout the programme is to make the potential new members feel welcome in the club and to give them the opportunity to make friends. The lady members involved join them in the club for refreshments in the early stages and after each of the roll-up sessions in the final stage. Having the crash course in groups is important too as most people need the encouragement of friends to keep going when they are still getting to grips with the basics.

Publicity required is minimal. It is done by word of mouth and by an initial email invitation to all members, a good number of men encouraging their wives or lady friends to have a go. The programme was designed to attract ladies who had no experience of golf and those who had had some but had lost touch with it. It can be joined at any stage. The final stage also picks up ladies who apply to join the club without a CONGU handicap so they get a refresher course in the rules and etiquette as much as a boost to their game through having the lessons with the professional.

Once they join the club a further scheme has been devised to help them achieve their CONGU handicap. They are given an interim handicap up to 45, are encouraged to put in as many cards as possible and have their own series of competitions. Once they reach a handicap of 36 they join in the club competitions and medals.

Has the programme been successful? Out of the 70 who came to the taster sessions the first year, 18 reached the final stage and nearly all of them are now members. In 2009 21 moved on from the crash course to the final stage and some even joined before their year was up. Dozens of new members joined in 2010. The falling trend of membership has been reversed and the ladies' age profile is going down. The greatest benefit is having new blood, new people to meet and friends to make, and a generation in waiting to carry on the ladies' section of the club.

“And what has been the price? In terms of money the programme has been virtually self funding, but in terms of organisational time it has been a huge, but nevertheless worthwhile, investment. A key factor in getting the scheme off the ground has been the drive and leadership of the lady captain at the time and after that the support of her successors, the club's management council, all the volunteers, the club office and professionals. The group who set it up are still running it and have drawn on the help of a good number of other ladies. Educating them about the programme and its need has been essential to get their support. There is a good deal of administration to cover, helpers to recruit, lists to make and leaflets to produce – this becomes much easier after the first two years,” said Club Secretary/Manager Kevin Mader.

But it has been worth it – as one participant who has now become a member wrote:

‘The programme has been the perfect way to start playing golf. Thanks to fantastic support and genuine encouragement from both the lady members and the club's

professionals, I now have the confidence to get out onto the courses and I am looking forward to playing regularly. At the end of the programme, I had no hesitation over applying for membership.’

## **Crown Golf launches corporate scheme - July 2012**

Crown Golf launched a new membership scheme in a bid to lure corporate golfers to its venues. **Corporate Play** is a reciprocal deal that will give companies access to 25 of the operator’s golf clubs in England, including the company’s flagship property, St Mellion International Resort in Cornwall.

The membership, which is priced according to the number of fourballs a company needs per day, also includes an annual company golf day for up to 16 golfers, which can be held at any of the venues. The package includes discounted conferencing opportunities, free Wi-Fi and for members to have a dedicated concierge booking service.

Crown Golf, Britain’s largest owner of golf venues, has been keen to tap into the financial potential of UK companies, which many golf clubs benefit from. Stephen Lewis, chief executive, said:

“We are frequently called by firms looking for good value business golf terms. They use golf facilities to build relationships, establish new contacts and reward clients and employees. We’ve listened to what they have been telling us and have designed a new corporate golf product which we believe will undoubtedly meet their needs.

Corporate Play offers companies a cost-effective and versatile golf membership. We believe it offers the best value for companies based in the south of England who want to regularly entertain their customers at a golf club.”

## **Pennyhill Park Hotel offered golf in an hour membership - August 2012**

One of the country’s premier hotels offered non-residents membership of its golf club for the first time in its history.

Pennyhill Park Hotel & The Spa in Surrey has a nine-hole course that can be played in an hour. Guests at the hotel, which includes the England rugby team when it plays at Twickenham and, in the past, golfers such as Seve Ballesteros and Vijay Singh, have played the course, while, according to the hotel, “the current crop of top professionals can often be found on the Pennyhill links during the PGA championships held just down the road at Wentworth.”

The memberships, which started at £930 per year, include green fee passes at Manor House Golf Club, Wiltshire and Mannings Heath Golf Club, West Sussex thanks to a reciprocal deal the hotel has forged with its sister properties, plus discounts on food and beverage at the hotel and day passes at the spa.

“We are not quite sure how old our beautiful nine-hole golf course is or indeed who the course architect was,” said a spokesman, “but we do know that the golf course is a hybrid of wonderful heathland and Surrey parkland which is typical of the A30 corridor along which can be found our illustrious neighbours, Wentworth and Sunningdale. This belt of

land has rightly been recognised as prime inland golf course terrain with fantastic draining qualities and the associated flora and fauna to match. The nine short but testing holes cut past some stunning ancient firs and the seasons are represented beautifully through their ever changing deciduous cousins.

Recent tree surgery complementing the golf course and the trees' health has also been well received by the local wildlife around the course – roaming deer, pheasant, foxes and a myriad of bird life as well as rare flora and fauna can be found on and around the fairways.”

## **Social membership booming at golf venues - August 2012**

A comprehensive new survey of the golf industry has found that golf clubs have been experiencing a social membership revolution in the last year.

Social members of golf clubs normally experience all of the benefits that full members receive, including entrance to social functions and discounts on food and drink, typically for less than £100 per year, but receive no financial privileges when it comes to playing golf.

Several golf clubs have been keen to expand this category in recent years in order to benefit from revenue streams in addition to golf, which in many cases have proved to be unreliable due to the state of the economy and recent extreme weather patterns.

The Hillier Hopkins survey of 129 golf clubs found that the number of private members' golf clubs that had a social membership of 100 or more has nearly quadrupled in the last year, from nine per cent of all clubs to 32 per cent. Similarly, the number of proprietary clubs with a social membership of 25 or more has doubled from 20 to 40 per cent in the last 12 months.

“These figures are extremely encouraging as clubs undoubtedly benefit from increasing social membership levels, with a positive impact on revenue” said Robert Twydle, golf club partner at Hillier Hopkins.

Despite the increase in social memberships, the percentage of private members' clubs that bring in £150,000 per year or more from their bar has dropped from 38 to 28. Bar revenue for proprietary clubs is also, in total, 'slightly poorer' compared with 2011, according to the research.

Another trend that the research uncovered is that proprietary clubs have been investing in driving ranges in the last year. In 2011, 70 per cent had one, but this year this has shot up to 87 per cent. Perhaps surprisingly, less than 30 per cent of members' clubs have a driving range and, of those, just 12 per cent said that they generate at least £10,000 per year for the club.

There has, in addition, been a sharp rise in investments in marketing in the last 12 months. Just over 50 per cent of proprietary clubs spent money on marketing in 2011, by 2012 the figure was close to 90 per cent. A similar percentage of members' clubs (86) have invested in marketing in the last year.

The survey also found that the number of members' clubs reporting growth has risen from 25 to 38 per cent over the last two years, but while more proprietary clubs are seeing growth in 2012 (54 per cent), this is sharply down from 67 per cent in 2011. While these clubs have, on average, slightly reduced the price of a green fee in the last year, this income stream is performing well. Over 30 per cent of proprietary clubs say they have generated more than £140,000 in the last year solely from green fees.

For private clubs, 19 per cent reported turnover of at least £1 million in the last year, down slightly from the previous year, while the average club spends £96,500 per year on course maintenance, £154,500 on course wages and intends to spend about £120,000 on special projects over the next 12 months.

Elsewhere, over 60 per cent of proprietary clubs pay their manager at least £40,000 per year, two thirds pay their head greenkeeper £30,000 to £40,000 per year and one fifth pay their PGA professional more than £2,500 per month as a retainer. With private members' clubs, remuneration is lower: 42 per cent pay their manager £40,000 or more, 41 per cent pay the head greenkeeper £30,000 to £40,000 per year and 42 per cent pay the PGA professional at least £2,000 per month.

The report revealed that the vast majority of members of an average private members' golf club are older men. Nearly three quarters are gentlemen (the remainder being women and children) while 57 per cent of all the members are at least 50 years old. With proprietary golf clubs, the age profile is almost identical, although the average club has a slightly higher percentage proportion of female members – 23 to private clubs' 18.

Just 18 per cent of private members' golf clubs now have a waiting list, while the number of private members' clubs charging an entrance fee is dropping fast – in 2011 it was 74 per cent, today it is less than 60 per cent. The average joining fee is £1,200.

“While we are seeing some progress, this is not universal across all clubs,” added Robert. With the right impetus, all clubs can move forward. All clubs are changing, introducing reduced dress codes and more flexible joining arrangements, but this is now attracting golfers who want to play rather than occasional players who just wanted to be members of the club.

This is starting to put more pressure on playing times and availability of the course especially at weekends. Some clubs have already had to move to a tee booking system though this is still a very emotive subject at most clubs. It is interesting to note that successful proprietary clubs are run as successful businesses and if members' clubs wish to compete in this area they have to consider doing the same.

It is certainly true that green fee income in most clubs is rising simply because golfers can now play more or less at any club they wish. It is pleasing to note that the average surplus in most clubs is now around £31,000.”

## **New green fee deal for the north-west - March 2013**

*Fifteen golf clubs in north-west England and in Wales have joined a scheme that aims to increase the number of visiting golfers they all receive.*

The Open Golf Club, set up by the club professional at Woolton Golf Club, has been created to attract non-members, or ‘nomads’, to participating private members’ golf clubs.

It is an online club that allows its members to play in week-long competitions at The North West National, Shrigley Hall Hotel, Woolton, Vale of Llangollen, Holywell, Flint, Hawarden, Pryors Hayes, Prenton, Eastham Lodge, Hazel Grove, Turton, Didsbury, Wigan and Prestwich golf clubs for the cost of arranged green fees plus three pounds.

The brainchild of David Thompson, the professional at Woolton, the club attracts visitors to the participating clubs to take advantage of unused tee times. Members of the clubs and their guests can also participate in the competition, and, at the end of the week, all the scorecards are sent to David.

He explained:

“With Open Golf Club, you register on the site and pay a reduced green fee to play a competition. This is just starting and it is free registration, so it is not making me any money. It can only start making money when I start charging a registration fee for members, but I won’t do that until it gets moving as it builds and I get more people in the competitions.”

He said he is introducing an order of merit, awarding points each time a golfer plays, to provide more of an incentive for players, building up to an area final.

“From the golf clubs’ point of view I am bringing customers to them and extra revenue,” he said.

Membership of English golf clubs has dropped by more than ten per cent in the last six years as many golfers have found it to be more cost-effective to be ‘pay-and-play’ golfers who pay green fees at clubs as visiting players, rather than pay an annual subscription at one club. However, nomadic golfers are usually deprived of the benefits of having an official handicap and of playing in club competitions, which are normally only open to members.

The Open Golf Club also provides non-CONGU approved handicaps to its members.

“If someone is a society player, such as in a pub golf society, I ask them for proof of that handicap or I ask them to send me two cards they have done around a course,” said David.



## **Surrey club offers month-long ‘membership’ - March 2013 (Thames Ditton & Esher Golf Clubs)**

A Surrey golf club has come up with an innovative way to market itself – it is offering unlimited golf for one month.

Thames Ditton and Esher Golf Club is using AmazonLocal – Amazon’s rival to Groupon – to sell what is similar to one month’s membership for £39. AmazonLocal details that the package would normally cost £852 – although this is higher than the current annual seven-day membership that the club sells. A weekend green fee at the club is £16 for 18 holes.

The voucher entitles the buyer to the month-long deal starting from whenever it is redeemed, up until the end of November 2013. Golf can be played on every day, although not until 12.30pm on Sundays.

## **The Belfry joins reciprocal scheme - April 2013**

One of the world’s most famous golf clubs has joined a reciprocal and flexible membership programme with other clubs to attract new revenue.

The Belfry, which has hosted the Ryder Cup four times, has joined the De Vere Club, in which members can play at any of 12 golf venues for £295 per year.

For that price, members receive 100 points which can be redeemed against green fees, buggy hire, driving range tokens and spa and leisure visits at clubs including The Carrick at Loch Lomond, Carden Park and Slaley Hall. One hundred points entitles members to, for example, four summer weekday rounds at The Belfry or 20 winter weekday rounds at Oulton Hall. The package also allows members to hold a handicap and play in club competitions.

Since the De Vere Club was launched three years ago by Peter Allis, it has attracted 13,000 members.

“The incorporation of The Belfry, one of the world’s most iconic golf resorts, is a significant addition to the De Vere Club, the country’s fastest-growing golf membership,” said spokesman Jamie Carroll. “Motivated by a desire to stimulate golf participation and frequency of play amongst keen golfers who cannot justify a standard club membership, the De Vere Club has been considered a success after creating a more accessible, flexible and family friendly, golf and leisure membership. Golfers have responded positively to a more flexible, cost-effective golf membership and the addition of The Belfry will have a positive impact on the value of it.”

“I’d heard a lot about the De Vere Club before my appointment and I am 100 per cent behind it,” added Ian Knox, The Belfry’s new director of golf.

“It’s clearly struck a chord with the golfing public at all levels of the game and by offering golfers something different is encouraging new people to the sport, which can

only be a good thing. I'm looking forward to seeing that development alongside our traditional membership moving forward at The Belfry."

Meanwhile, Wychwood Park, another club part of the group, has announced that golfers who have achieved a hole in one at any De Vere UK course in the last year can compete in a par three challenge on Wednesday, April 10, in which the winner can attend the 2013 Augusta Masters, which starts the following day.

## **BOGOF brought in 100+ new members (Dartmouth G&CC) - April 2013**

A golf club that offered an innovative BOGOF (buy one get one free) membership for the winter months has revealed the policy has been a success.

Dartmouth Golf and Country Club, Devon, secured more than 100 new members between November and March.

The club introduced a 'GolfSHARE' initiative which allowed prospective new players to sign up at the 27-hole complex and then invite a friend or family member to join them as an associate member with no extra charge for three and a half months. If the second player then decided to join the club, both members would have their joining fees waived and receive up to £300 in subscription discounts over the next two years.

Huw Darch, sales and marketing manager at the club, said:

"We are very pleased that local golfers took advantage of this very unique offer. Attracting new players can be a struggle for many golf clubs but not for us – membership levels soared during the winter months."

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