



Club Managers Association of America
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Strategic Membership Replenishment

Presented By

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**The Private Club Industry is Changing
Rapidly**

*The Inability to Understand Change and to
Prepare for Its Arrival Can Be the
Difference Between Your Success and
Your Survival*



There are Three Potential Risk Factors to Creating a Waiting List at Your Club

1. Regional/Global
2. Local/Regional
3. Internal



Global Factors

Overbuilding - What we provide in the private club is fairly available in the public market, generally less expensively

Leisure Time - Even prospective members that can afford the Club may not join because they have very little time to use the amenities

Economic Perception - Even though the economy has been fairly robust over the past 24 months, consumers are still cautious.



Local Factors

Discounting Competitors - This is an ever changing landscape. As clubs experience difficulty in recruiting or replenishing lost members, many immediately choose discounting as the best marketing tool.

Diminished Local Economy - Many areas of the country are facing significant local decline in terms of economy, which, in turn, can put a strain on your ability to effectively replenish lost members.

Daily Fee Clubs - The daily fee represents the single largest threat to the private club experience.



Local Factors

Deteriorating Facilities - As many clubs are in process of renovation, keeping facilities fresh essentially allows you to remain competitive. Yet many club's existing debt and/or cash flow prevents renovations from taking place.

Poor Community Perception - Our members can sometimes be the greatest threat to our Club's perception in the community.

Priced Too High for the Market - We have made some serious errors in price setting. Adjustments are difficult but sometimes necessary.



Internal Factors

Aging Membership and Population - If we fail to capture the “baby boomer” market, the generation behind them is 5% smaller

Members Referring New Members - The system is broke and it is now up to management to ensure that you explore all of the prospecting opportunities

Pricing is Definitely an Issue - No question we have made some mistakes and we are paying for them today



Perhaps the Greatest Internal Issue is Our Failure to Ingratiate Culturally Differentiated Programs and Activities in Our Clubs

According to Surveys, 66% of Members Join Between the Ages of 36 and 45, and 90% Join Before Age 50. Yet Most Clubs Continue to be More “Senior” Oriented to Services, Activities and Facilities.



*Let's Look at the Culture of
our Clubs...*



**What Do Your Mature
Members Want From
the Club**

Lower costs, familiar foods, lower dues

More formal dining and control over club decisions

Social events the way they used to be

Paper communications and lots of it

Invisible children and fewer women on the course

The way it used to be.....

What Do Your Middle Age Members Want From the Club



Guaranteed availability of acceptable tee times
Healthy choices in food and activities
E-Communications & ease of access to information
Family activities & smaller, more focused events
Recognition, personalization & connections

What Do Your Junior Age Members Want From the Club



Guaranteed availability of acceptable tee times
Challenging golf course
E-Communications & ease of access
Family activities

A justifiable reason to be a member.....

How Each Group Sees the Referral Process



Did not join the club to become a recruiter. Wants to play golf and leave. The dreaded "Trunk Slammer".



Husband and wife both work and are afraid that by referring more members will restrict their ability to play when they want.



All their members are either members or they are dead.

How well do you understand marketing strategies

Let's Start With Pricing....

Marketing Strategies



\$350 Bone-In Ribeye Or \$250,000 Membership Fee

Which is more realistic?



*To be as good in membership as
you are in F&B you need to....*

Educate Yourself (Just Like You Did for F&B)

Know that There is No Panacea or Magic Potion and Change
Will Keep on Coming

Know that Short Term Fixes Generally Create Long Term
Nightmares

Liberate Your Thinking – Members Want to Have Fun

Quit Treating Membership Marketing as a Seasonal Event

Staff Just Like Your Other Departments

What Local Factors Most Effect Membership Growth and Stability

- Market Area Wealth Density and Participation Rate
- Community Perception
- Competition
 - Pricing
 - Perception
- Membership Trends & Profiles
 - Historic Member Usage Patterns & Trends
 - Age Segmentation of Membership

Marketing Realities

Your Market is Likely Less Than 20 Minutes Drive Time From Your Front Doors

Less Than 20% of HH's in Your Market Radius Will be Golfers

Less Than 10% of the Market Will Be Able to Afford Membership at Your Club



*Seeking the Appropriate
Sustainable Membership Solution*

What Works?



*Programs That Have Worked Seem to
Have This in Common*

Something to Do With *Pricing*

Discounting

Extended Payment Plans

Pricing Accommodations for Younger Members

Trial Usage Before Financially Committing



Pricing Issues

Set Price on the Basis of Your Market, Not on Ego or Emotion

Know Your Market Demographics

Know Your Competition

Discounting Should be a Last Resort

Look at Accommodations

Extended Payment Plans

Junior/Intermediate Programs



Programs That Have Worked Seem to Have This in Common

Something to Do With Incentives to Existing Members

Dues Rebates

Cash Credits

Food and Guest Credits

Making the Referral Process Painless

How Can We Better Engage Members to Get Involved?



Referrals

If Less Than 10% of Your Existing Members are Participating in the Process, Something's Wrong

Communicate the Issue Honestly

Review Alternatives to Keeping Pace With Attrition

Assessments

Reduced Services

Increased Costs to Remaining Members



Programs That Have Worked Seem to Have This in Common

Something to Do With Generating Non-Member Traffic

More Diverse Member Activities

Complimentary Guest Usage

Complimentary Participation in Events

Creating Member Pride

How Do You Generate Non-Member Traffic to Your Club?



Programs That Have Worked Seem to Have This in Common

Something to Do With *Differentiating the Experience*

Making Every Experience Memorable

Orchestrating Tours

Team Marketing

Personalizing



Team Marketing


*Gaining Commitment &
Involvement*

Creates Differentiation




The Team's Effort in the Marketing Process

Staff Members Don't Sell...
They Market by Each
Impression They Make...



Remember that perception of your Club is not only the golf course & amenities. Each touch that a member or prospective member has with a staff member, each visual and each experience they have at the Club will create their respective "value" perception.





- Marketing Director

- Department Heads



- Direct Contact Staff

- Telephone Reception



Create Ambassadors

Involve Member's of Varying Backgrounds, Handicaps and Interests in the Club to Help Tour, Connect and Ingratiate New and Prospective Members Into the Club





Volunteer Boards

There Has Been a Positive Metamorphosis on Every Professional Level Within the Private Club, Except One....



There is nothing quite so stupid as an educated man, once you remove him from his field of education..

Will Rogers



Club Communications

- Club to Members
 - Information Resource
 - Problem Solver/Listener
- Management Team to Hourly Team
 - Problem Solver/Listener
 - Educator/Informer
- Club to Community
 - Representation



Relationship Building A Team Effort ... “It Doesn’t Just Happen”

Member Relations

Public Relations

Team Relations



Team Relations

-Goals Within the Team-

Interact With All Staff Members – Create the Team

Be Knowledgeable of Key Staff’s Backgrounds

Take the Initiative to Interact in the Marketing Process

Stimulate Team Building Through Inclusiveness

Be Knowledgeable of All Club Events...past, present & future. Get Involved.

Everyone Should Be A Role Model!

5 Crucial Areas of the Club's Culture

- **Personalized Service**
- **Recognition**
- **Involvement**
- **Developing Relationships**
- **Educating**

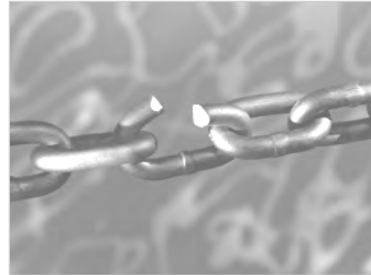
PERSONALIZED SERVICE

- 1.**
- **Teams Knowledge**
 - Member Preference File
 - Member Interest Profile
 - Birthdays/Anniversaries
 - **New Member Program**
 - **Additional Club Services**

MEMBER- LINKS

*An exciting
orientation process
for new members!*

- Welcome Coupons
- Personal Introductions Staff
- Lunch with the GM
- Committee / Board Member
- Three/Six Month Follow-Ups



Allow Each Team Department to Be Linked To Members

RECOGNITION

- Team Photo Boards
 - Spotlight on Members / Business
 - Recent Event Photos
 - Member Achievements/Contributions
- Use *All* Communications Mediums
 - Newsletter
 - Web Site
 - Bulletin Boards
- Club Image
 - Heritage of Club

2.

3.

INVOLVEMENT

Understanding the Importance..

- Ambassadors
- Image / Prestige
 - Community
 - Turning Trash Into Treasure
 - Awareness / Exposure
- Clubs Within A Club
- Programming / Services

4.

DEVELOPING RELATIONSHIPS

- Members
- Guests
- Facilitators of Introductions
- Provide Warm Welcomes

Team Education

5.

- The Club's Vision
- Knowledge of Members
- Knowledge of Club Events
- Knowledge of Departments
- Knowledge of Fellow Team Members

Developing Your
Marketing Strategy

Let's Look at a 10 Point Strategy for Success.....



Number One

- Determine Your Specific Membership Needs
 - How many members do you want or need to matriculate over what period of time
 - This process will help identify the level of aggressiveness that may need to be employed in the process



Number Two

- Understand *Your Own Specific Market* Demographics.
- Knowing the depth of your market capable of affording membership at your Club is critical to creating membership categories and setting the ***right*** membership fees



Number Three

- Know and *chart your competition.*
 - Fees & Discounting Practices
 - Member's Perception
 - Number of Golfing Members



Number Four

- Have Competent Staff to Complete the Membership Mission.
 - You Need a Trained Membership Director
 - Team market using department heads and staff.
 - Help staff understand “managing every point of contact”. Differentiate!
 - Empower and inform them
 - Listen to them, they hear more from the floor than you do



Number Five

- Competitively Position your Club. It's Too Easy to **Simply** Discount.
 - Once you know the market and competition determine if your fees are too high, too low or just right.
 - Determine if there are membership categories that fit better to the market's demographic profile.
 - Before you discount, look at payment plans or incentives to encourage referral participation.
 - If your price is way too high, adjust.
 - If it's not too high, set lower payments and wait for the market to catch up to your pricing.



Number Six

- Create a Program That Fits Your Need.
 - Set the aggressiveness of the program based upon your needs. Don't overreact.
 - If members are not referring, create an aggressive incentive program. Communicate effectively!
 - Be sure that what you do in the short term does not negatively affect the long term viability of the club or its ability to charge specific fees. Think strategically and do an impact analysis before you implement.



Number Seven

- **Gaining Approval is More than Conceptualizing Your Idea to the Board**
 - Sell the concept that membership marketing is an ongoing process and not a seasonal event
 - Hard data talks and “I have an idea” walks
 - Create charts and graphs to make your point
 - Engage the political system. It's there, use it to your advantage!



Number Eight

- Communication is the Key!!
 - The best ideas fail because we fail to communicate. Create good graphics for your program.
 - Share data and information with the members. Rational people agree when given the same data from which to make a decision.
 - Use Town Hall meetings, focus groups and surveys as a vehicle



Number Nine

- Manage Each Point of Contact
 - Engage the *Team Concept* of selling
 - Personalize whenever and wherever possible. Differentiate!
 - Create connections
 - Data warehouse
 - Offer members the opportunity to showcase the club to non-member prospects
 - Create an Ambassador's program
 - Generate non-member traffic as creatively as possible. Let a prospective member see your club in its best possible light



Number Ten

- Dynamic Programming of Events
 - Create smaller more focused events to meet the varied needs of your membership
 - Drive-In movies, Harley parties, Hot rod parties
 - Father – Daughter camp outs
 - Boxing exhibitions
 - Pig races

Remember, members just wanna have fun.....



Finally, Liberate Your Thinking

Our industry has been described as static in its thinking. Others have judged us more harshly, suggesting that our thinking may be constipated.

We deal today with a new culture of consumers and members, as well as a new level of competition. Being the same is opening the door for the short and long term issues.



Look to the Future

"In any moment of decision, the best thing you can do is the right thing. The worst thing you can do is nothing."

Theodore Roosevelt



Remember....

Educate Yourself (Just Like You Did for F&B)

Know that There is No Panacea or Magic Potion and Change Will Keep on Coming

Know that Short Term Fixes Generally Create Long Term Nightmares

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