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JULY 2016

# 2016 Canadian Private Club Symposium: Post Symposium Survey

Survey Results



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## **2016 Canadian Private Club Symposium**

### **Post Symposium Survey Results**

In March 2016, Global Golf Advisors (GGA) hosted club executives and presidents of leading Canadian private clubs for a symposium to identify and discuss emerging trends and best practices within the private club business segment. This year's Symposium explored topics relating to the continued development of Canada's most elite clubs including current trends, research, key performance indicators, and top issues facing clubs in 2016. GGA solicited feedback from attendees on key topics and discussions raised during the symposium via a post symposium survey. This report highlights the post-symposium survey results.

### **Participants**

Attending executives represented the following participating clubs:

- Beacon Hall Golf Club
  - Brampton Golf Club
  - Camelot Golf & Country Club
  - Carrying Place Golf & Country Club
  - Cedar Brae Golf & Country Club
  - Credit Valley Golf & Country Club
  - Dundas Valley Golf & Curling Club
  - Fox Harb'r Golf Resort & Spa
  - Hamilton Golf & Country Club
  - London Hunt & Country Club
  - Mill Run Golf Club
- Oakdale Golf & Country Club
  - Ottawa Hunt & Golf Club
  - Park Country Club of Buffalo
  - Royal Montreal Golf Club
  - The Royal Ottawa Golf Club
  - Scarboro Golf & Country Club
  - St. Catharines Golf & Country Club
  - St. Charles Golf & Country Club
  - Thornhill Golf & Country Club
  - Weston Golf & Country Club
  - York Downs Golf & Country Club



## ***Executive Summary***

The survey results and findings from participating clubs are consistent to what GGA is experiencing in leading clubs, with the trend being a gradual shift to a more business-like management approach emphasizing data-driven decision-making and diligent monitoring of key performance indicators and member satisfaction. Due to the emotional nature of a membership-based organization, there will always be aspects of clubs that do not operate like a business. However, there has been a change in recent years and many clubs are taking a more business-like approach in areas such as governance, membership sales and communication, operations, and capital planning.

The results of the survey point to the following observations from participating clubs:

### ***Respondent Profile:***

- ❖ Entrance fees required to join the participating top-tier private clubs averaged \$32,438, of which \$31,538 is retained by the club on average. The entrance fee structure of these clubs was 82% with an initiation fee only structure and 18% with an equity certificate structure and initiation fee component (also referred to as a Transfer Fee).
- ❖ It is evident that the economic outlook for private clubs is continuing to improve. As a result, 31% of clubs indicated that they are considering raising entrance fees over the next three years.
- ❖ Approximately one-third (31%) of clubs are considering adding more flexible payment options.
- ❖ More than half (56%) of participating clubs reported having a Strategic Plan.
  - 78% indicated their Plan was three years old or less.
  - 44% update their Plan each year.

### ***Pace of Play:***

Pace of play is an extremely important element in members' overall satisfaction with their club. Recent findings from USGA research have shown that members are more likely to be satisfied with a golf round that flows continuously, uninterrupted by bottlenecks or wait times, than one that is shorter in duration but requires the group to periodically pause or wait for other groups. The key takeaway for private clubs is that golf round satisfaction appears to be informed more by the flow of the round rather than the overall round duration. This notion is corroborated by recent GGA and USGA findings which have indicated that many golfers would be willing to pay more if pace of play was improved.

- ❖ While less than four out of ten (38%) clubs are actively focused on improving pace of play, more than half (56%) of participants believe that pace of play can be improved at their club.



- ❖ Participating Club Managers believe that the most important factors contributing to golfers' enjoyment of a round of golf are the (1) condition of the golf courses, (2) people with whom they play, (3) access to the tee, and (4) pace of play.
- ❖ More than four in five (86%) participating clubs agree that the overall golfer experience is determined by flow rather than round duration.
- ❖ Six out of ten participating clubs (60%) currently have a tee time interval in the range of 9 to 10 minutes, with the average tee time interval being approximately 9.4 minutes.
- ❖ Recent USGA research and new technology have started a trend that will introduce compelling solutions to pace of play issues for clubs. Participating Club Managers indicated that they would be willing to pay an average of \$6,882 for new technologies, with costs ranging from a low of \$3,042 to a high of \$15,884, to improve pace of play. This notion is corroborated by recent GGA research for the USGA which indicates that pace of play improvement increases revenues for course operators.

### **Governance:**

Governance is the engine which drives the club and preserves the culture of the club. The survey findings are consistent with industry trends and indicate that many clubs are now taking a business-like approach to governance. Trends in the club industry in recent years have shown that the function, size, tenure and decision-making authority of the Board and Committees at private clubs have been changing to ensure more efficiency and professionalism, and to ensure that a sound business model is in place (for example, smaller Boards with longer terms and fewer Committees). Some of the key survey findings were:

- ❖ "Sound governance" is a strategic goal for more than nine in ten (93%) clubs.
- ❖ More than nine out of ten (93%) Club Managers involve the Board before setting annual goals.
- ❖ Slightly more than half (53%) of clubs now have a Governance Committee or Board Committee that focuses on governance.
- ❖ At nearly two-thirds (64%) of clubs, the Club Manager reports to the Club President.
- ❖ More than half (53%) of clubs have a Board Policies Manual. Of this group, nearly nine in ten (88%) indicated that their Board Policies Manual is actively used and followed.
- ❖ Only 13% of Boards self-evaluate their performance at the conclusion of each meeting.



- ❖ More than three-quarters (79%) of clubs provide a performance appraisal to the Club Manager each year, with half (50%) of clubs providing both a verbal and written appraisal.
- ❖ Three-quarters (73%) of club Boards use a consistent basis for evaluating a Club Manager's performance, but only 18% of clubs have a Board Policy for such an evaluation.
- ❖ 13% of clubs have reduced the size of their Board in the last three years.
- ❖ One-quarter (27%) of clubs utilize a Consent Agenda at each meeting.
- ❖ On average, clubs reported that 34% of Board meeting time is spent on operational matters. Furthermore, more than half (57%) of clubs reported that the amount of time spent on operational issues has decreased in the past three years.
- ❖ The implementation of e-voting amongst members at participating clubs appears to be a growing trend, with 54% of clubs featuring e-voting or undergoing the planning and implementation process to do so.

### Key Performance Indicators and Capital:

Club operations and capital funding will continue to operate in a non-business-like manner in some areas due to the unique attributes of private clubs. However, given the competitive environment in which most clubs operate, a shift in clubs towards more business-like operations is taking place. This shift is characterized by an emphasis on the tracking and monitoring of key performance indicators and measuring the club's performance on the basis of this data. Survey findings demonstrated the following:

- ❖ One-fifth (20%) of participating club Boards set targets for and review key performance indicators each year based on club goals and objectives. Only 13% of club Boards do not target or review KPIs at all, with 67% tracking KPIs in some form.
- ❖ Slightly more than half (53%) of participating clubs define their club's KPIs as detailed club performance, while 47% define their KPIs as detailed departmental performance. Only 40% of respondents indicated that their KPIs encompass data and information from all sources.
- ❖ The most common methods of reporting KPIs to club Boards is through a presentation (36%) or detailed Microsoft Excel workbook (29%). However, many clubs still do not report on KPIs, only on rounds played and financials.
- ❖ Nearly two-thirds (64%) of clubs update KPIs and provide KPI Board reports on a monthly basis.
- ❖ More than seven in ten (73%) clubs do not have an up-to-date Capital Reserve Study.



- ❖ One in three (33%) clubs report they currently have no capital reserve fund. Clubs without a capital reserve fund or process for funding capital maintenance put themselves at considerable risk of deferred capital maintenance issues. GGA finds that the most successful clubs over the past decade operate with a plan for funding capital and have been making regular investments to their facilities and golf courses.
- ❖ More than half (53%) of clubs currently purchase the majority of their equipment.
- ❖ In recent years KPIs for capital maintenance benchmarks have increased, jumping from 5% of gross revenue to 7% to 9% of gross revenue. Roughly one-quarter (23%) of clubs are funding annual capital maintenance within the 7-9% benchmark range, while more than three-quarters (77%) are funding below 7%.

### **Market and Membership:**

Gone are the days when most clubs were operating with waitlists and a pipeline full of members lined up to join the club. The reality is that most clubs must now aggressively seek and find new members. Successful clubs are taking a very data-driven approach to membership recruitment and retention. However, while many clubs are incorporating quantitative tactics, overall they are not there yet, which was confirmed in the survey results:

- ❖ 53% of clubs map the location of their members to identify trends and gain insight for new member growth. GGA recommends that clubs do this annually to maximize membership sales effectiveness.
- ❖ Intermediate membership age limits are increasing to the age of 40 and even 45 in some markets. A successful membership program geared towards the next generation of members must be driven by market data. At participating clubs the average age limit for an Intermediate membership is currently 39 years old. Due to the constant changes to this category, clubs should be evaluating their offering for the under-40 segment on an annual basis in order to stay relevant.
- ❖ The demographics of private club members are constantly changing, sometimes requiring clubs to make adjustments to membership categories and offerings. 80% of clubs currently have a Senior transfer membership category whereby tenured Full members can transition into a discounted dues category. 20% of clubs are considering adding a Family membership category, with 33% of clubs indicating they have one in place. 7% of clubs are considering a Sports or Flex membership category, with 27% of clubs indicating they have one in place.
- ❖ 94% of clubs offer some form of payment plan on entrance fees, with the average amortization period being 7.2 years.

## Marketing and Communications:

More often than not marketing and communications efforts at private clubs are predominantly focused on filling the membership pipeline through new member recruitment and improved brand exposure. While the recruitment of new members should be the foremost priority at all clubs, marketing and communications efforts should also focus on retaining existing members through careful monitoring of membership satisfaction. The survey revealed the following observations:

- ❖ Customer feedback is common practice in most industries and provides business with essential insights. The survey confirmed a rising trend where many clubs actively seek internal feedback from members through focus groups, town hall meetings, satisfaction surveys, and member polls.
- ❖ 40% of clubs perform an annual satisfaction survey. Of the clubs that do not (60%), nearly nine in ten (89%) are planning to perform an annual satisfaction survey in the future.
- ❖ SMS or text message polling of members is a feedback mechanism that is relatively unused, with no participating club using this method of feedback. The most common reason why is because they have not given it any consideration.
- ❖ 57% of clubs distinguish between 'branding' and 'brand identity' in their marketing strategies.
- ❖ Only one-fifth (21%) of clubs use and refer to a content library for rapid and varied development of marketing materials.
- ❖ 93% of clubs consider it important, to some degree, for their club to control what information about the club is available online, with 60% of clubs considering this to be very important.

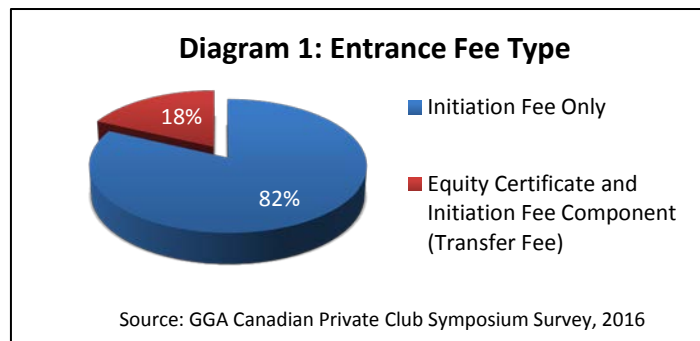
## Detailed Survey Results

The following is a question-by-question summary of all questions from the 2016 Canadian Private Club Symposium Survey. When appropriate, we have referred to the results of the 2015 Canadian Private Club Symposium Survey. Each year GGA will maintain and track responses to key questions and incorporate trends into this study.

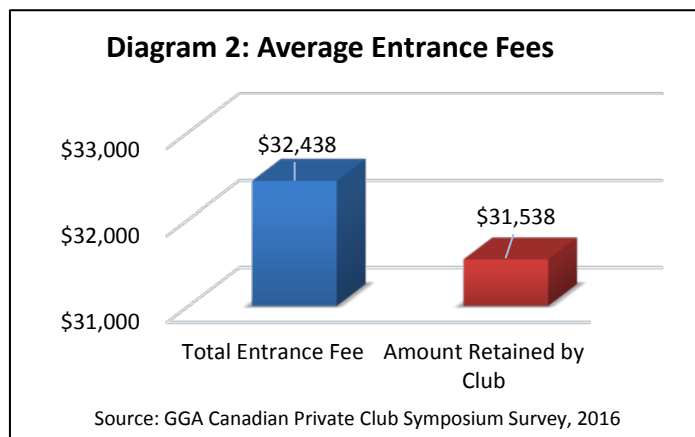
### Respondent Profile

#### Q. Type of entrance fee and average amount charged by participating private clubs.

More than four out of five (82%) participating clubs charge only an initiation fee to new members entering the club. Nearly one-fifth (18%) of participating clubs utilize an Equity Certificate and Initiation Fee Component (also referred to as a Transfer Fee).

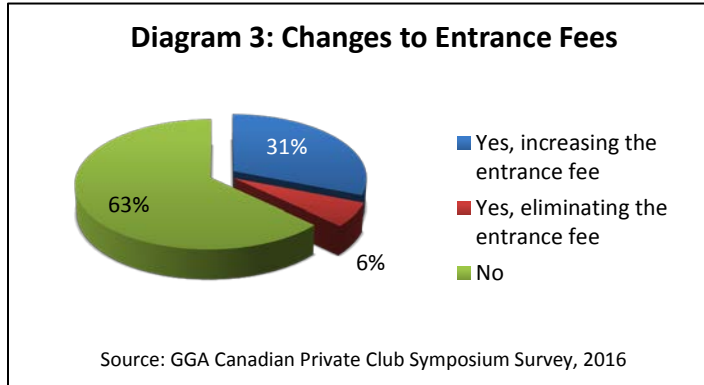


The average entrance fee required by participating clubs in 2016 is \$32,438 (up from \$29,777 in 2015), of which \$31,538 is retained by the club on average (up from \$25,687 in 2015).





**Q. Is your club contemplating a change to entrance fees within the next three years?**



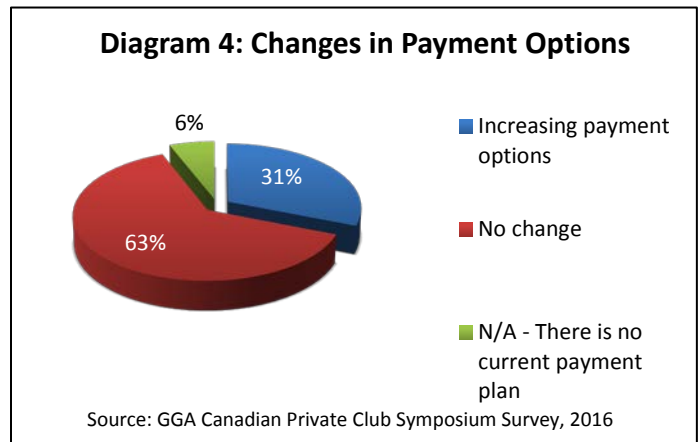
Nearly two-thirds (63%) of participating clubs are not contemplating a change to their entrance fees in the next three years, while 31% are contemplating an increase and 6% an elimination of entrance fees. It is noteworthy that no clubs indicated plans for decreasing their entrance fees.

In 2015, 50% of clubs were not contemplating a change, 45% were considering an increase, and 5% a decrease. The data confirms continued upward pressure on joining fees over the next three years.

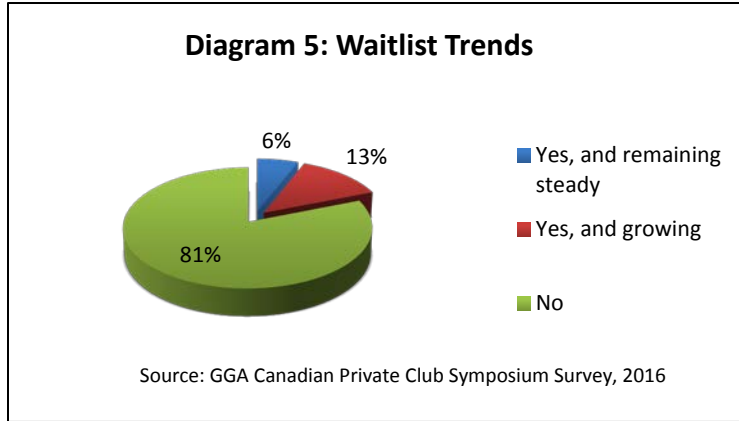
**Q. Is your club considering more flexible payment options?**

Flexible payment options can help attract younger members who are not yet financially stable enough to pay joining fees upfront. In 2016, almost one-third (31%) of participating clubs are contemplating increasing membership payment options (32% in 2015), while almost two-thirds (63%) are not contemplating changes to their payment structure (54% in 2015). Only 6% of clubs currently do not have a payment plan in place (14% in 2015).

While the contemplation of changes to payment options has remained steady, there are more clubs offering payment plans than in the previous year. Of those clubs currently employing payment plans, the plans span an average of 7.2 years.



**Q. Does your club currently have a waitlist for Full membership and is it growing or shrinking?**



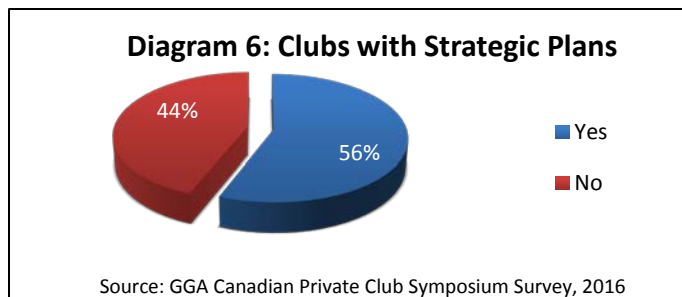
The majority of participating clubs (81%) do not have a wait list (86% in 2015).

Of the one-fifth (19%) of clubs which have a waitlist (14% in 2015), 13% are seeing their waitlist grow (5% in 2015) and 6% have seen no change at all (4% in 2015).

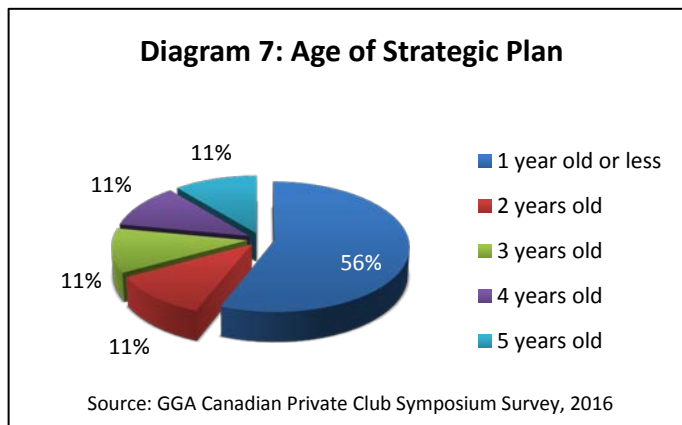
In 2015, roughly 5% of clubs reported shrinking waitlists while no clubs (0%) reported shrinking waitlists in 2016.

**Q. Does your club have a Strategic Plan and if so, how old is it?**

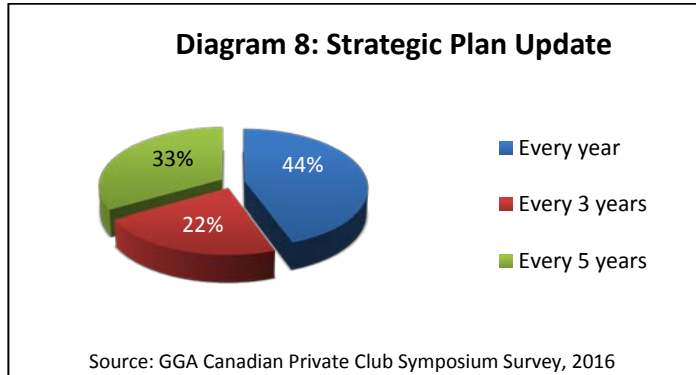
Having a Strategic Plan is critical in driving key decisions and the overall direction of the club. In 2016, more than half (56%) of participating clubs have a Strategic Plan (59% in 2015).



Of the clubs with a Strategic Plan, more than half (56%) have a Strategic Plan which has been developed or updated within one year or less (46% in 2015). One-fifth (22%) have a plan that is two to three years old (39% in 2015), and 22% of clubs have a Strategic Plan which is four or more years old (15% in 2015). The life cycle of a Strategic Plan is at most five years.



**Q. How often does your club update its Strategic Plan?**

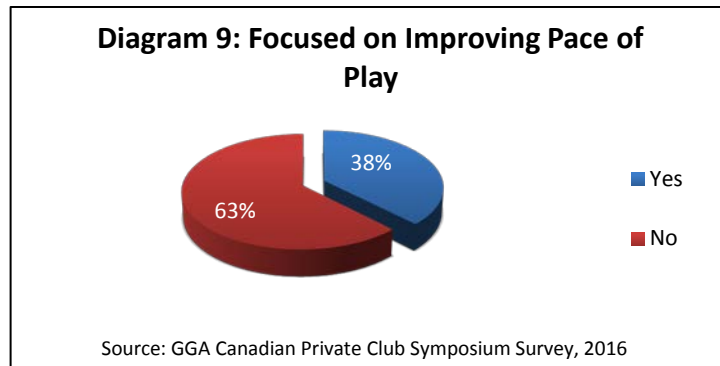


Almost half (44%) of participating clubs with a Strategic Plan update their plans every year (46% in 2015), 22% update their plans every three years (39% in 2015) and 33% update it every five years (0% in 2015). A Strategic Plan requires constant maintenance, review, and improvement. Results have remained consistent with nearly half (44% in 2016, 46% 2015) of clubs indicating that they update their Strategic Plan annually.

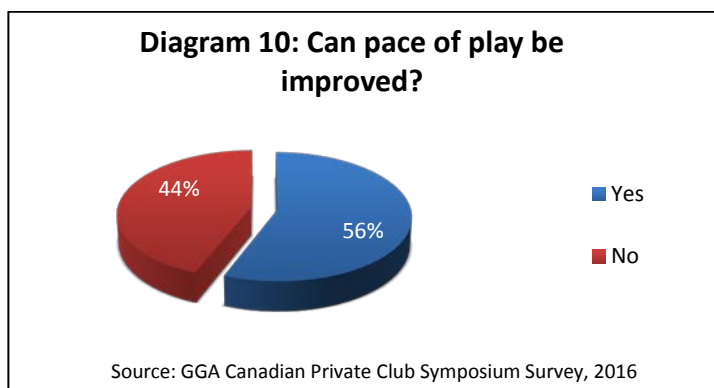
**Pace of Play**

**Q. Is pace of play an issue that your club is actively focused on improving?**

More than one-third (38%) of participating clubs indicated that pace of play is an issue that their club is actively focused on improving.



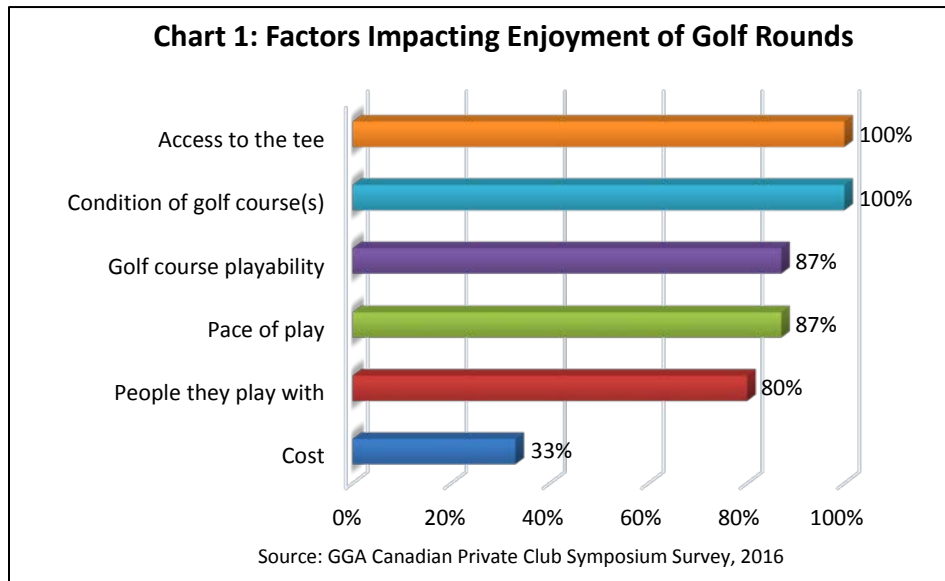
**Q. Do you believe that pace of play can be improved at your club?**



While less than four out of ten (38%) clubs are actively focused on improving pace of play at their facilities, more than half (56%) of participating clubs believe that pace of play can be improved at their club.

**Q. What factors do you believe contribute to golfers' enjoyment of a round of golf at your club?**

Participating clubs were asked to identify various factors that contribute to a golfer's enjoyment of a round of golf at their club. The top three most frequently selected factors impacting overall round enjoyment are: access to tee (100%), condition of golf course(s) (100%), and the overall playability of the course (87%). Pace of play was considered a contributing factor by more than four in five (87%) of clubs.

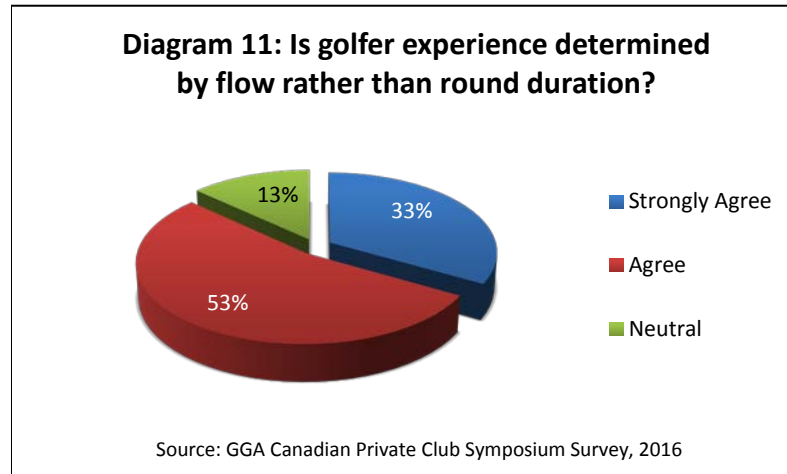


Participating clubs were then asked to rank the various factors they selected in order of importance, with "1" being "Most Important." The top three highest ranked factors impacting overall round enjoyment are: the condition of golf course(s) (2.1), people with whom they play golf (2.2), and access to the tee (3.0). Pace of play was ranked fourth on the list on the basis of overall importance.

| <i>Factor</i>               | <i>Avg. Rank</i> |
|-----------------------------|------------------|
| Condition of golf course(s) | 2.1              |
| People they play with       | 2.2              |
| Access to the tee           | 3.0              |
| Pace of play                | 3.6              |
| Cost                        | 4.0              |
| Golf course playability     | 4.1              |

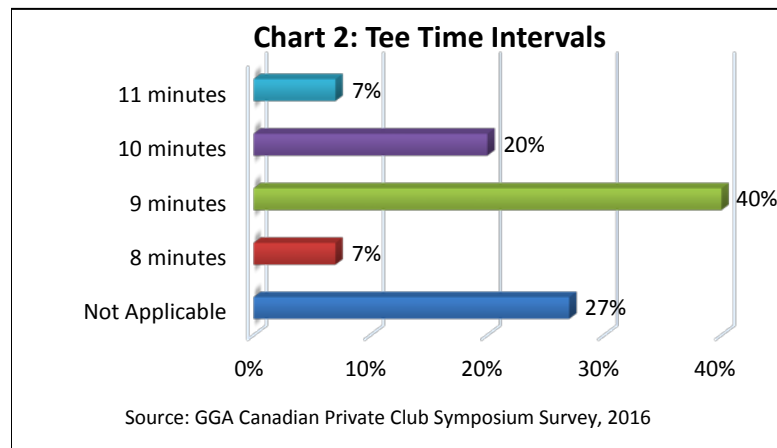


**Q. Do you agree that golfer experience is determined by flow rather than round duration?**



More than four in five (86%) participating clubs agree that the overall golfer experience is determined by flow (being the ability to easily and continuously play without being caught in bottlenecks or waits for other groups), with roughly one-third of clubs (33%) agreeing strongly. While 13% were neutral on this issue, no participating clubs disagreed with this premise.

**Q. What is your current tee time interval?**



Most participating clubs (60%) currently have a tee time interval in the range of 9 to 10 minutes, with 40% of clubs having a 9 minute interval. A weighted average calculation indicates that the average tee time interval is approximately 9.4 minutes for clubs with tee times. Roughly one-quarter (27%) of the sample indicated that intervals are not applicable as their clubs do not use tee times.



**Q. At what cost would you be interested in tools to improve pace of play?**

The 2016 Symposium featured a keynote presentation from USGA Sr. Director, Research, Science and Innovation, Dr. Matt Pringle, who has led a USGA effort to collect and analyze data from over 5,000 rounds to uncover the causes of slow play in order to begin developing practical, data-based solutions for pace of play. As a result, the USGA has begun to develop tools that can be implemented by courses seeking to improve pace of play through investments in new and constantly improving technologies.

Dr. Pringle summarized USGA’s research findings and illustrated how each technology works on the golf course. Symposium participants were then asked to consider the costs at which they would consider each technology.

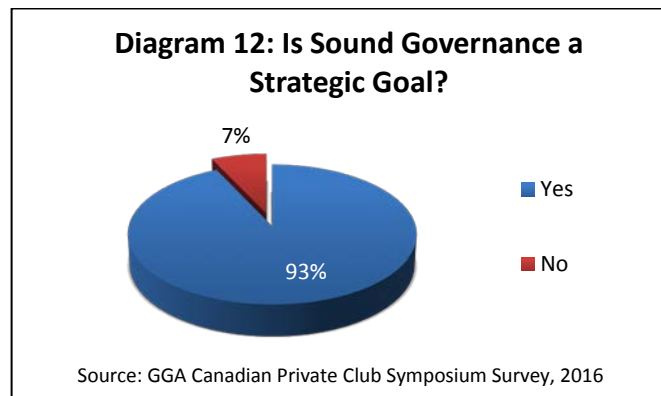
The survey results indicate that participating clubs would be willing to pay an average of \$6,882 for these technologies to improve pace, with costs ranging from a low of \$3,042 to a high of \$15,884. Participating clubs would be willing to pay the most, on average, for resource management technology that would optimize greens/grounds cost and maximize resource use and allocation at their facilities.

| Pace of Play Tools   | Mean           | Minimum        | Maximum         |
|--|----------------|----------------|-----------------|
| GPS Loggers to track course utilization and travel paths       | \$6,771        | \$2,070        | \$20,070        |
| Flagstick monitoring technology to track pace of play          | \$6,415        | \$4,521        | \$10,056        |
| Resource management technology to optimize Greens/Grounds Cost | \$7,461        | \$2,535        | \$17,527        |
| <b>Average</b>   | <b>\$6,882</b> | <b>\$3,042</b> | <b>\$15,884</b> |

**Governance**

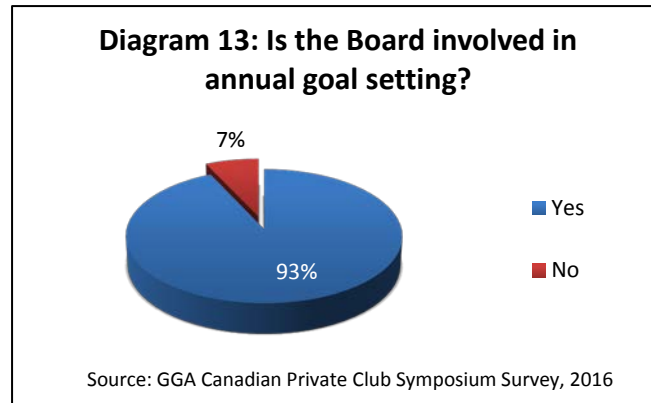
**Q. Is “sound governance” a strategic goal for your Board?**

More than nine in ten (93%) clubs indicated that “sound governance” is a strategic goal for their Board (77% in 2015). Less than one-tenth (7%) of clubs reported that sound governance is not presently among their Board’s strategic goals.

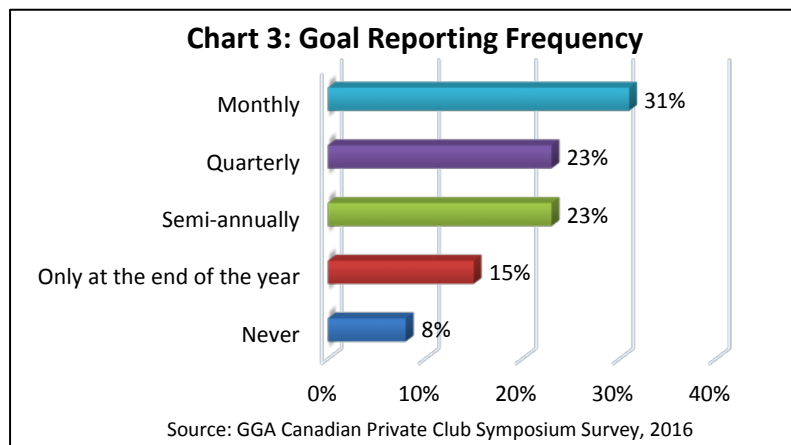


**Q. Does the GM/CEO/COO involve the Board before setting annual goals?**

The majority of participating clubs, more than nine out of ten (93%), indicated that the GM/CEO/COO involves the Board before setting annual goals. Of this group, more than four in five (85%) indicated that their Board uses these goals to monitor and evaluate the performance of the GM/CEO/COO throughout the year.

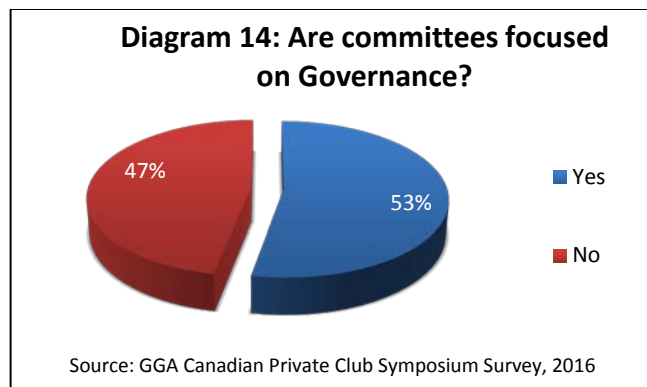


Nearly one-third (31%) of corresponding GM/CEO/COO's report on the progress of these goals every month, while roughly one-quarter report quarterly (23%) with another quarter reporting semi-annually (23%). Only 15% of participating clubs report on goal progress only at the end of the year, while 8% do not report on goal progress at all.



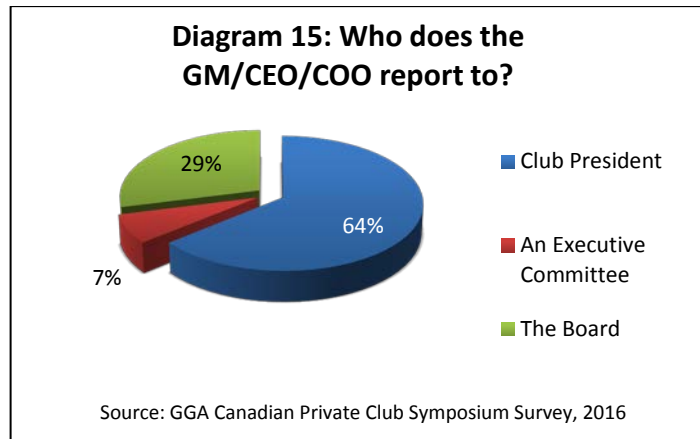
**Q. Do you have a Governance Committee or other Board Committee that focuses on Governance?**

Participating clubs were divided as to whether their club has a Governance Committee or other Board Committee that focuses on Governance. Slightly more than half (53%) of participating clubs indicated this to be the case, while slightly less than half (47%) indicated that there is no specific committee focused on governance at their club (*results were evenly split at 50% in 2015*).



**Q. Does the GM/CEO/COO report to the Club President, an Executive Committee, or to the Board?**

At nearly two-thirds (64%) of participating clubs, the GM/CEO/COO reports to the Club President while roughly three out of ten (29%) clubs have their club’s Chief Operator report to the Board. Less than one-tenth (7%) of clubs currently have their Chief Operator report to an Executive Committee.



**Q. How is your Board President trained?**

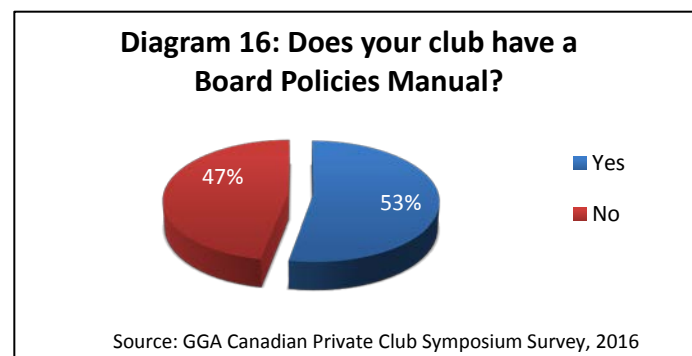
At many Canadian private clubs, the Board President is trained by proceeding through the chairs of Treasurer, Secretary, and Vice President before becoming President. Respondents were asked to identify other ways that they prepare their Board President for his or her role, with the most common methods being:

- Conducting orientations/seminars prior to their first Board meeting.
- Holding positions on various committees such as a Finance, House, or Membership.
- Routine meetings (mostly each week) that are held before/after/apart from the Board meeting to discuss how it went.
- Encouraging the President to attend workshops hosted by associations such as the Club Managers Association of America (CMAA) or Canadian Society of Club Managers (CSCM).

**Q. Does your club have a Board Policies Manual?**

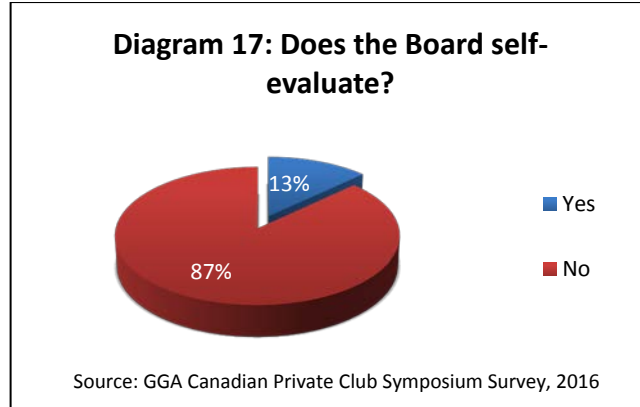
Participating clubs were divided regarding their use of a Board Policies Manual with slightly more than half (53%) currently employing a Board Policies Manual.

Of this group, nearly nine in ten (88%) indicated that their Board Policies Manual is actively used and followed, while 12% indicated the opposite.



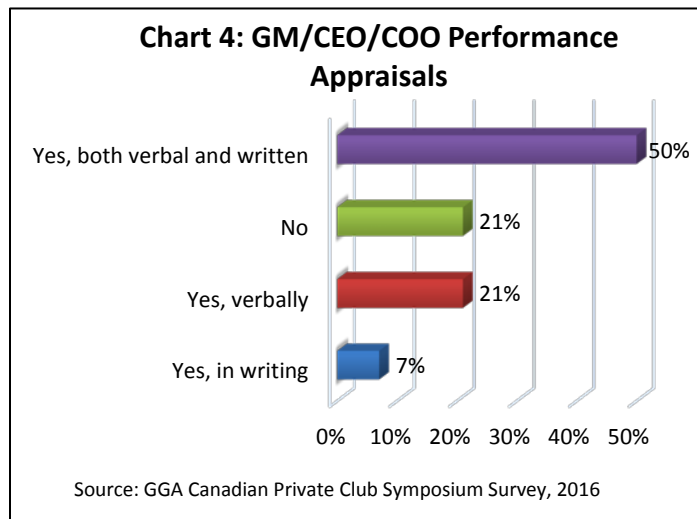
**Q. Does the Board self-evaluate its performance at the conclusion of each meeting?**

Board meeting evaluations are useful tools for the Board to ensure that meeting time is streamlined, optimal, and efficient. More than four out of five (87%) participating clubs indicated that their Board does not self-evaluate its own performance at the conclusion of each meeting, while only 13% of clubs implement such an evaluation (4% in 2015).

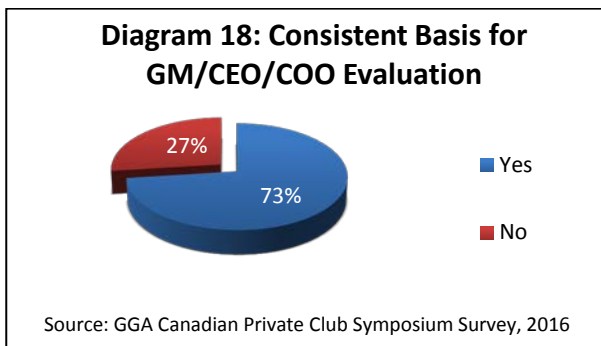


**Q. Does the GM/CEO/COO receive an annual performance appraisal?**

Providing the Club Manager with a performance appraisal each year is an effective way to communicate feedback and reassure an understanding of goals, responsibilities, and priorities. More than three-quarters (79%) of clubs provide a performance appraisal to the GM/CEO/COO each year, with half (50%) of clubs providing both a verbal and written appraisal. Roughly one-fifth (21%) of clubs provide their appraisal verbally while 7% use exclusively written reviews. Approximately one-fifth (21%) of clubs do not provide an appraisal whatsoever.



**Q. Does the Board use a consistent basis for performance evaluation?**

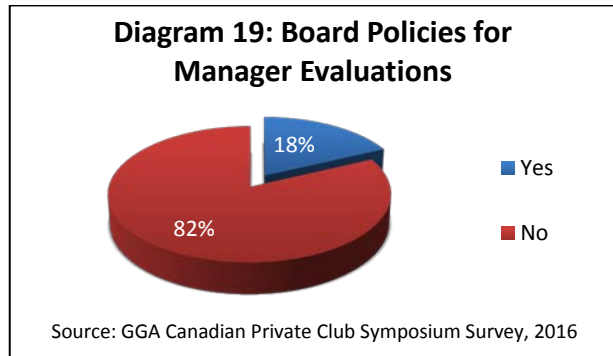


Of the clubs which do provide a written performance appraisal to the GM/CEO/COO (79% of participating clubs), roughly three-quarters (73%) indicated that the Board uses a consistent basis for evaluating the Club Manager’s performance, while 27% indicate that the criterion is variable.

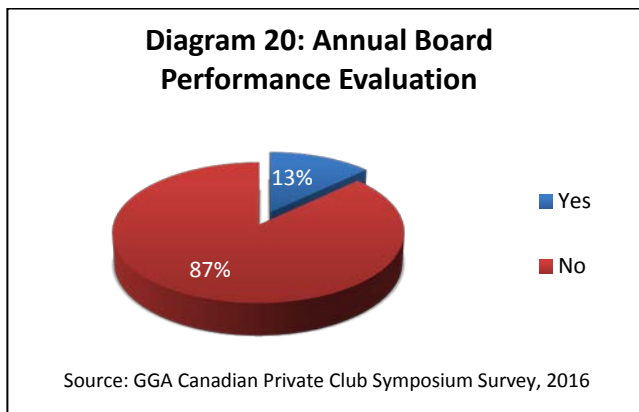


**Q. Does your Club have a Board Policy for the GM/CEO/COO performance monitoring and appraisal that describes the process and includes keystone dates?**

If something is measurable, it is manageable. It is important that performance expectations are measurable and clearly laid out and monitored. Approximately one-fifth (18%) of participating clubs have a Board Policy for the GM/CEO/COO performance monitoring and appraisal that describes the process and includes keystone dates, while more than four in five (82%) clubs do not have any such policy.



**Q. Is the Board's performance evaluated at the end of the year?**

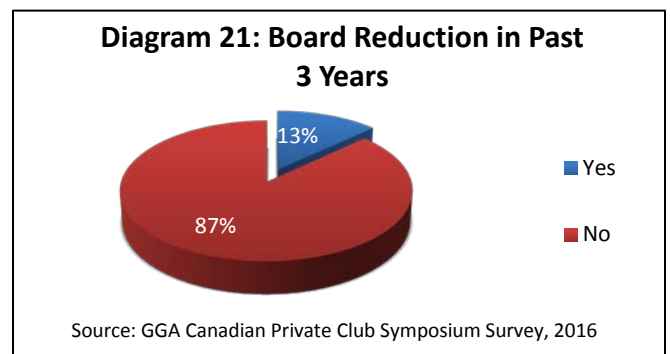


More than eight in ten (87%) participating clubs do not evaluate the Board's performance at the end of the year, while only 13% employ the use of an Annual Board Evaluation (32% in 2015). An Annual Board Performance Evaluation is a governance best practice that all clubs should implement.

**Q. Have you reduced the size of your Board in the past three years?**

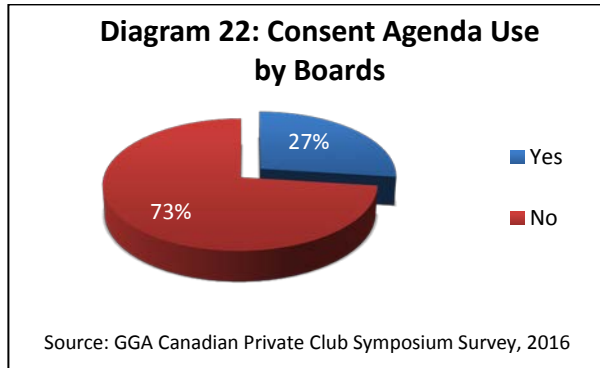
Trends in the private club industry in recent years have shown that function, size, tenure, and decision-making authority of the Board of Directors and Committees has been changing to ensure more efficiency and professionalism and that a sound business model is in place (i.e., smaller Boards with longer terms and fewer Committees).

Approximately 13% of participating clubs have reduced the size of their Board in the past three years (14% in 2015).





**Q. Does your Board utilize a Consent Agenda at each meeting?**



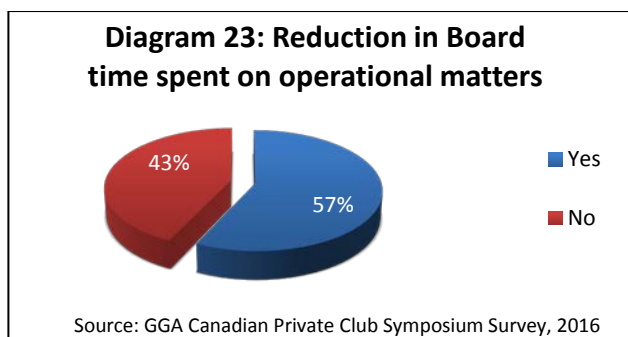
A Consent Agenda is a useful tool for Boards to ensure that meeting time is focused, effective, and remains 'strategic' by not delving too deeply into operational matters that are the charge of the Club Manager. Slightly more than one-quarter (27%) of participating clubs currently employ a Consent Agenda at each Board meeting.

**Q. Approximately what percentage of Board meeting time is spent on "operational" matters?**

At participating clubs, Club Managers reported that an average of 34% of Board meeting time is spent on operational matters (42% in 2015). The minimum amount of Board time reported was 9%, while the maximum was 71%.

GGA believes that Boards are "strategic", set policy, and evaluate operating performance; Management operates the Club; and Committees are advisory only. As a result, Boards are challenged to remain "strategic" in their deliberation and to avoid spending too much time on "operational" matters.

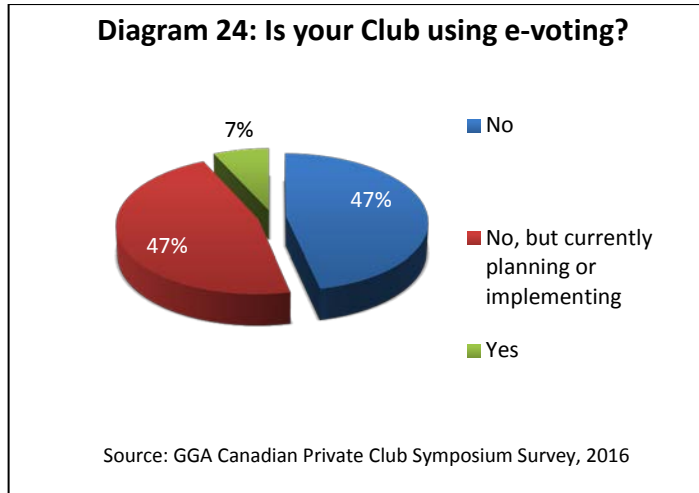
**Q. Has the amount of Board meeting time spent on "operational" matters decreased in the past three years?**



Just over half (57%) of participants indicated that time spent on operational matters during Board meetings has decreased in the past three years (55% in 2015).

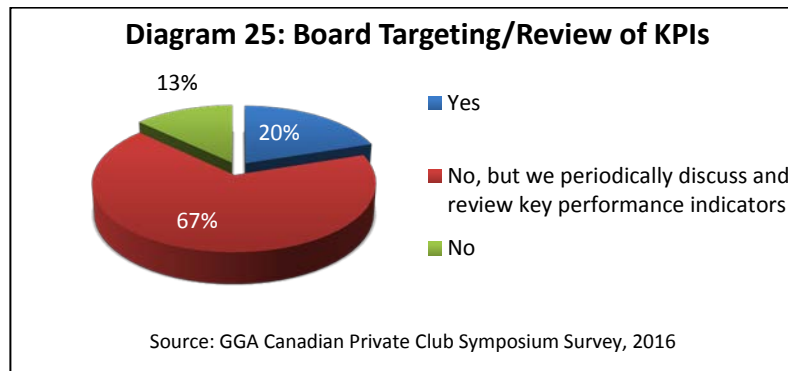
**Q. Is your club currently using an electronic voting system? If not, are there plans to implement e-voting in the near future?**

Currently 7% of participants have implemented e-voting at their club (23% in 2015) while nearly half (47%) of clubs are currently in the process of planning or implementing e-voting at their club (41% in 2015). Almost half (47%) of participating clubs are not currently using e-voting (36% in 2015).



**Key Performance Indicators and Capital**

**Q. Does your Board set targets for and review key performance indicators each year based on your club's goals and objectives?**

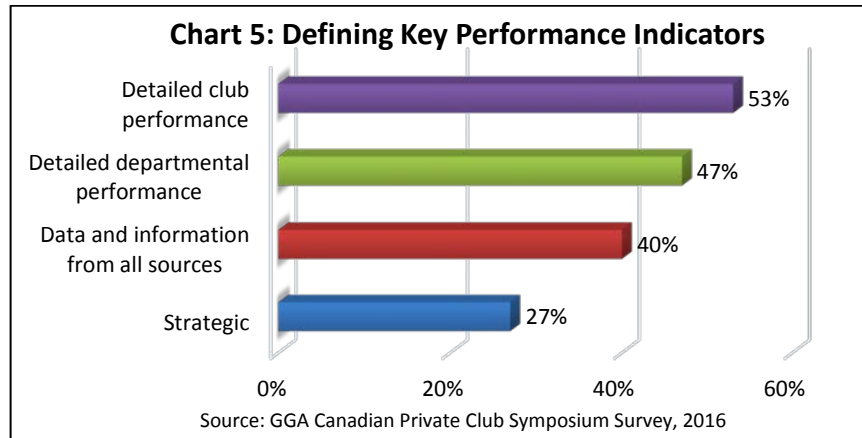


One-fifth (20%) of participating club Boards set targets for and review key performance indicators each year based on club goals and objectives. Approximately two-thirds (67%) of clubs do not do so but periodically discuss and review KPIs. Only 13% of club Boards do not target or review KPIs.



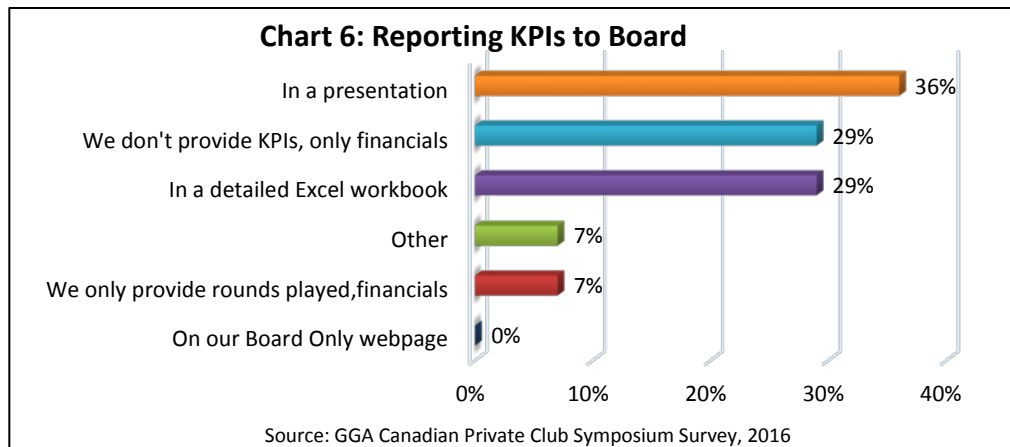
**Q. How would you define your club's key performance indicators?**

Slightly more than half (53%) of participating clubs define their club's KPIs as detailed club performance, while 47% define their KPIs as detailed departmental performance. Only 40% of respondents indicated that their KPIs encompass data and information from all sources.



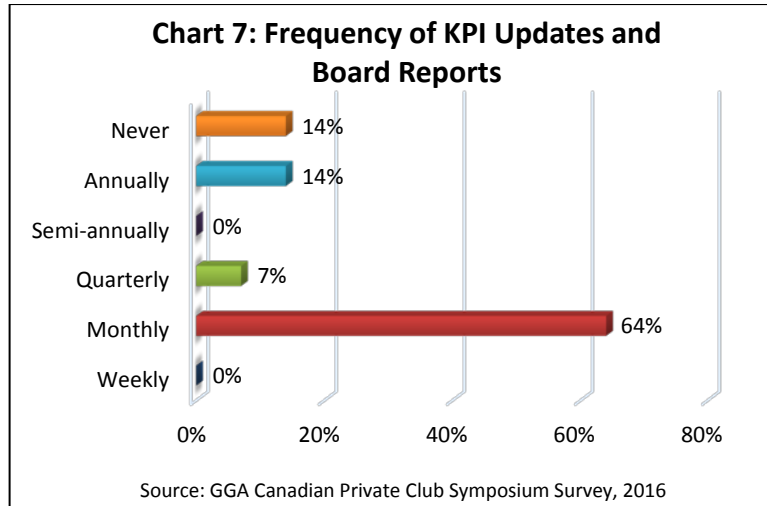
**Q. How are key performance indicators reported to your Board?**

More than one-third (36%) of participating clubs report KPIs to their Board in a presentation, while three in ten (29%) clubs present this information in a detailed Microsoft Excel workbook. Approximately 29% of clubs do not provide KPIs and solely report on financials, while less than one-tenth (7%) of clubs report on rounds played along with financials. The most common "other" method of reporting KPIs is to discuss them in concert with the GM/CEO/COO evaluation. It is noteworthy that no participating clubs are currently using Board-only webpages or Board-only dashboards to present KPI data.

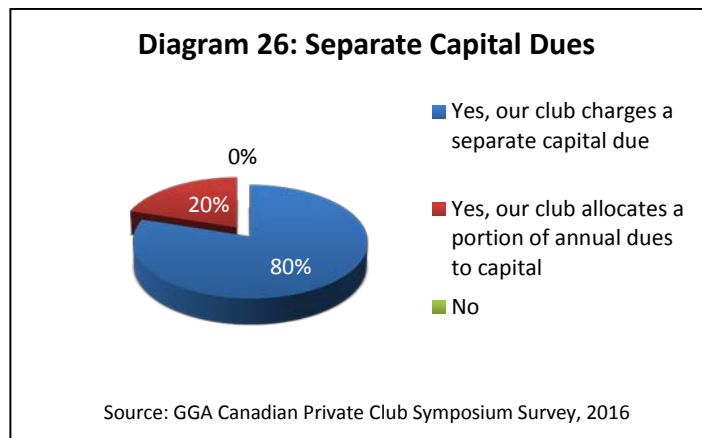


**Q. How often are key performance indicators updated and reported to your Board?**

Nearly two-thirds (64%) of participating clubs update KPIs and provide KPI Board reports on a monthly basis, while 7% conduct these reports quarterly, and 14% annually. Approximately 14% of clubs never update their KPIs or report them to their Board.



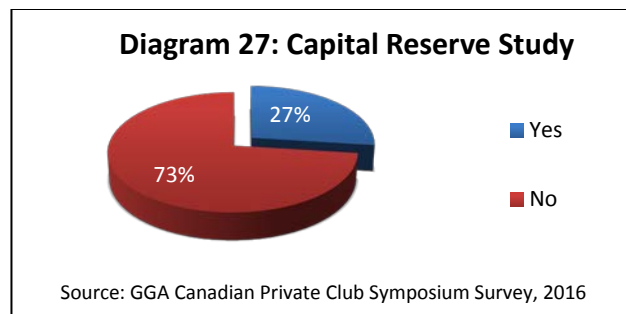
**Q. Does your club charge a separate capital due or allocate a portion from its annual dues to capital?**



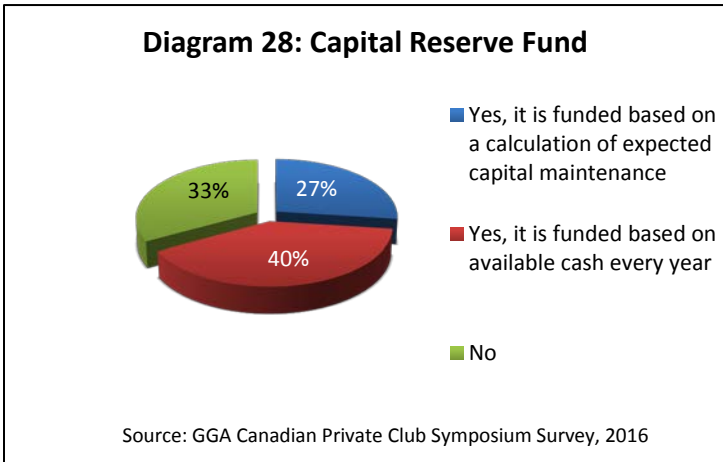
Roughly four out of five (80%) participating clubs charge a separate capital due (90% in 2015), while one-fifth (20%) of clubs allocate a portion of annual dues to capital (10% in 2015). It is noteworthy that no clubs indicated an absence of separate capital funding.

**Q. Does your club have an up-to-date capital reserve study?**

More than seven in ten (73%) of clubs indicated that they do not have an up to date capital reserve study (62% in 2015).



**Q. Does your club have a capital reserve fund for capital maintenance?**



Approximately two-thirds (67%) of participating clubs have a capital reserve fund for capital maintenance (76% in 2015).

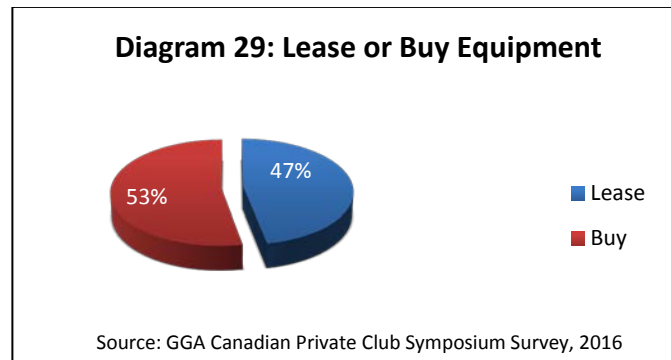
Of this group, 40% indicated that their reserve is funded based on available cash each year (62% in 2015). One-quarter (27%) fund their reserve based on a calculation of expected capital maintenance (14% in 2015).

Currently, the best practice for top performing clubs is to be proactive in funding capital by developing a capital fund with a target balance equivalent to two years' worth of capital maintenance (calculated at 7% to 9% of gross revenue each year). Clubs with a capital reserve fund for capital maintenance (67% of all respondents) have an average current fund balance (as a percentage of target balance) of 56%.

**Q. Does your club currently lease or buy the majority of its equipment?**

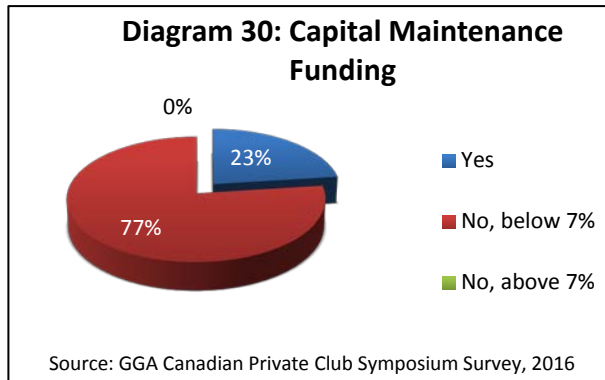
Slightly more than half (53%) of participating clubs indicated that they currently purchase the majority of their equipment.

Of those who lease equipment (47% of all respondents), seven in ten (71%) indicated that their lease provides for a residual guarantee or guaranteed residual value.





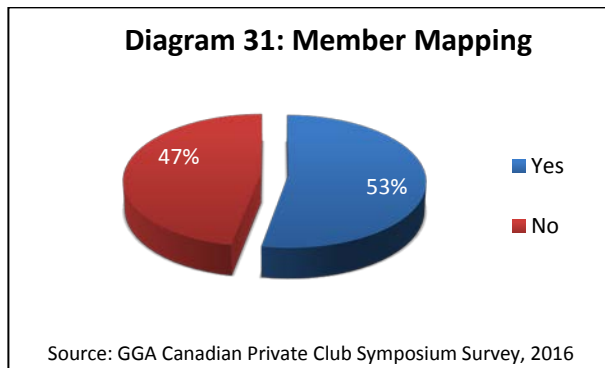
**Q. Are you funding annual capital maintenance within the benchmark of 7% to 9% of gross revenue?**



In recent years key performance indicators (KPIs) for capital maintenance benchmarks have increased, jumping from 5% of gross revenue to 7% to 9% of gross revenue. Roughly one-quarter (23%) of participating clubs are funding annual capital maintenance within the benchmark range of 7-9% of gross revenue, while more than three-quarters (77%) are funding below 7%. No clubs reported capital maintenance funding in excess of 7%.

**Market and Membership Trends**

**Q. Does your club map the location of its members for the purpose of identifying trends and areas of opportunity for membership growth?**



Over the years, attrition can cause the internal membership demographic to shift significantly. Mapping your club’s members can reveal trends and opportunities for membership growth. Slightly more than half (53%) of clubs report mapping the location of its members for the purpose of identifying trends and areas of opportunity for membership growth (48% in 2015).

**Q. What is your club’s maximum Intermediate membership age?**

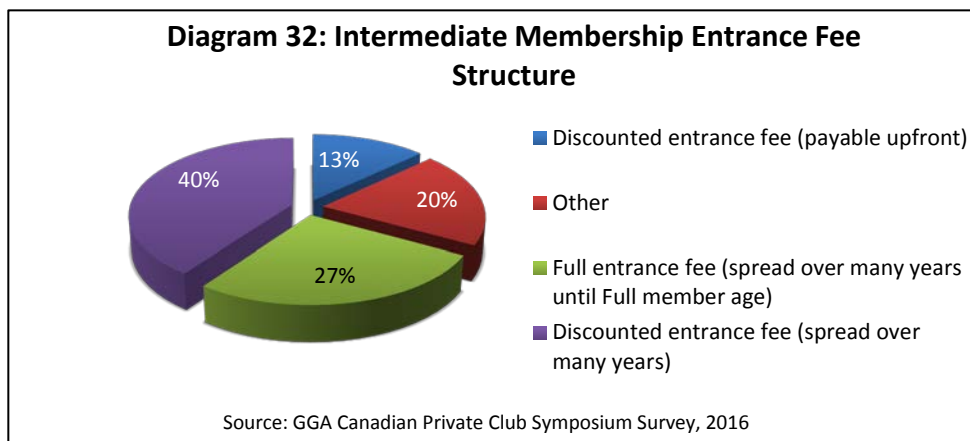
On average, age 39 is the maximum age which participating clubs allow members to remain as Intermediates (age 38 in 2015). The lowest age mentioned by participating clubs was 34, while the highest age was 44. This range is consistent with 2015 findings.

**Q. What is the fee structure of the current entrance fee of your club's Intermediate membership?**

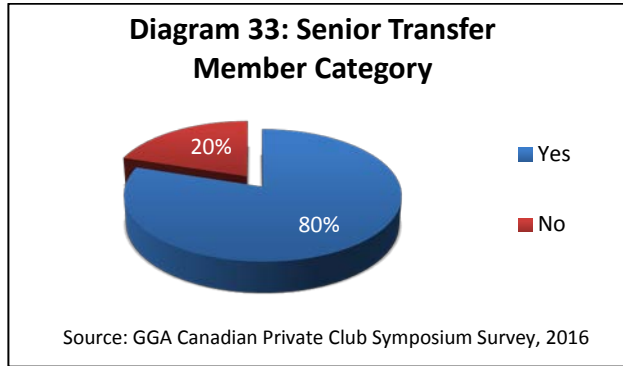
Approximately four out of ten (40%) participating clubs offer Intermediate memberships a discounted entrance fee spread over many years. One-quarter (27%) of clubs offer a Full entrance fee that is spread over many years until the individual reaches the age of a Full membership.

Approximately one-fifth (20%) of clubs offer Intermediates "other" types of payment options that include:

- No entrance fee with the accrual of credits against the initiation cost at age 40.
- No entrance fee for individuals who parents are Legacy members, already belonging to the Club.
- No entrance fee up front, but due upon conversion from Intermediate to Full membership.



**Q. Does your club have a Senior transfer membership category?**

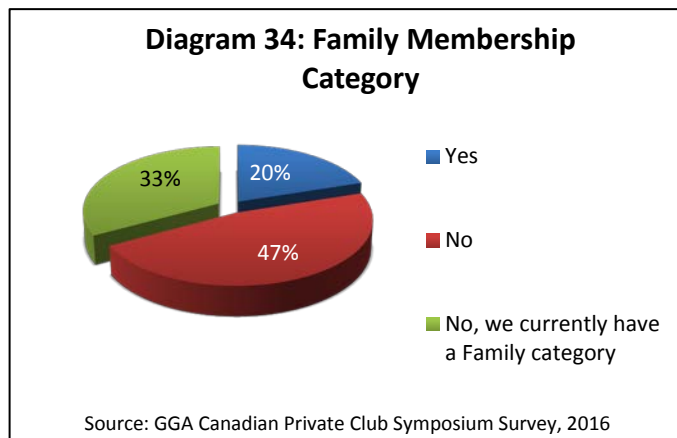


Approximately four in five (80%) participating clubs currently have a Senior transfer membership category whereby tenured Full members can transition into a discounted dues category.

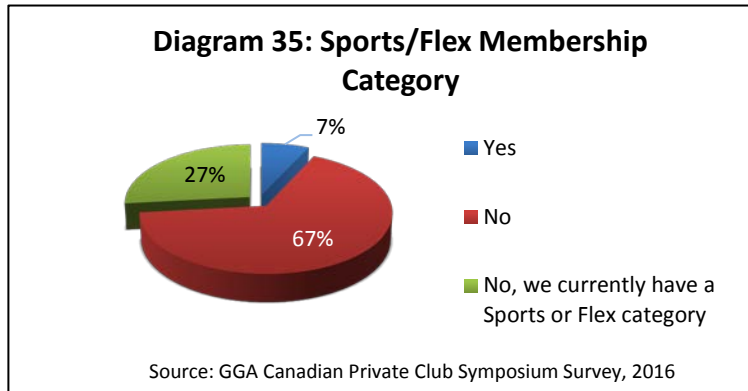
| Criteria                           | Average Value/Service Offering  |
|------------------------------------|---|
| Minimum age:                       | 73 years of age   |
| Minimum Tenure:                    | 26 years  |
| Dues as a Percentage of Full Dues: | 62%   |
| Access to Facilities:              | Nearly all participating clubs offer full or unlimited privileges, with some offering benefits such as exemption from assessments. Some restrictions may occur in the form of limited tee access, such as weekday only. |

**Q. Is your club considering a Family membership category?**

Two in ten (20%) participating clubs are considering a Family membership category. Family memberships are very common at clubs in the United States and are found less frequently at Canadian private clubs. Approximately one-third (33%) of participating clubs currently have a Family membership category. Slightly less than half (47%) of participating clubs are not considering adding a Family option at this time.



**Q. Is your club considering a Sports or Flex membership category?**



Approximately one-quarter (27%) of participating clubs currently have a Family membership category. 7% of clubs are considering a Sports/Flex membership category. Roughly two-thirds (67%) of participating clubs are not considering adding a Sports/Flex option at this time.

**Q. What privileges do you provide to keep a waitlist member engaged for several months to a year before they can become a Full golfing member?**

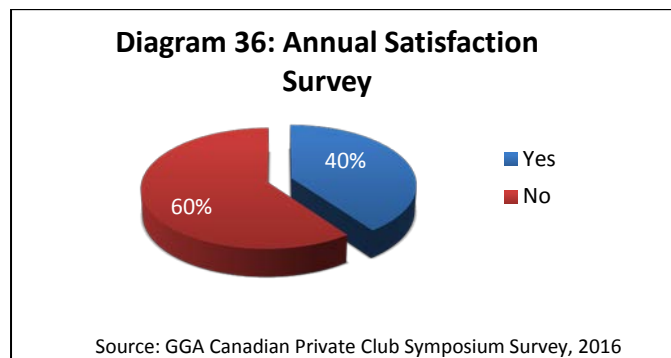
Participating clubs were asked to submit commentary on methods used to retain waitlist members, keeping them engaged in the Club for several months to a year before they can become Full golfing members. The most frequently mentioned methods included:

- They get all privileges except golf, with golf privileges being limited/restricted.
- They have House (or Social) member privileges and pay only House/Social dues until converted.
- They can only play golf with current Full Golf members.

**Marketing and Communications**

**Q. Do you perform an annual satisfaction survey at your club?**

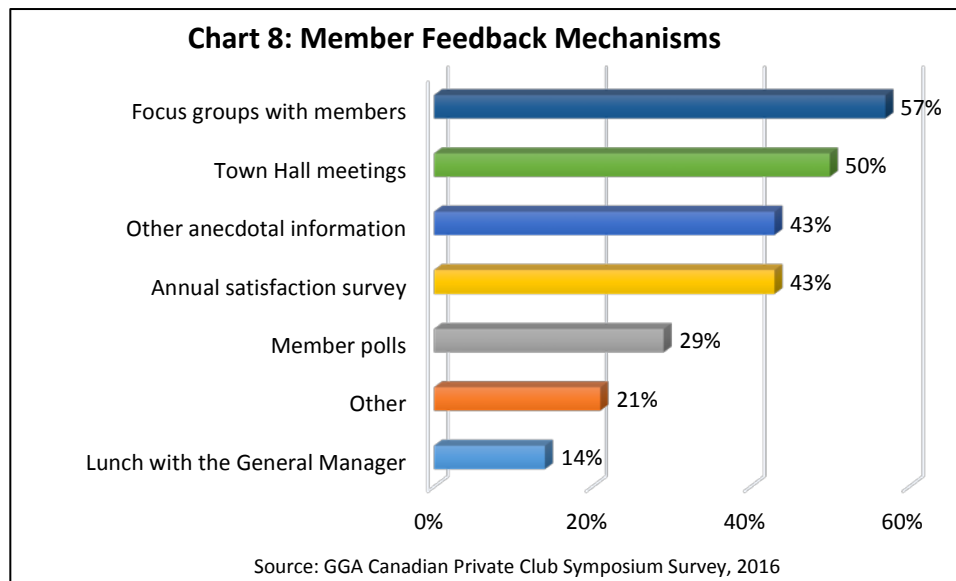
Approximately four in ten (40%) participating clubs perform an annual satisfaction survey at their club. Of the clubs that do not perform annual satisfaction surveys (60% of overall respondents), nearly nine in ten (89%) indicated that they are planning to perform an annual satisfaction survey in the future.



**Q. Which member feedback mechanisms are used at your club to bolster your understanding of internal member profiles?**



Among the different mechanisms, focus groups with members were the most commonly used, with 57% of respondents indicating their club's use for understanding member profiles (45% in 2015). Town Hall meetings are used by half (50%) of participating clubs (60% in 2015). Annual satisfactory surveys and other anecdotal information were also commonly selected, each at 43% (45%, 20% in 2015 respectively). Less commonly used were member polls at 29% (25% in 2015) and GM lunches at 14% (10% in 2015). Other mechanisms mentioned in the comments included golf with the GM, survey polls distributed to a handful of members from each category every few weeks, and feedback links on the club website and member-only area of the website.



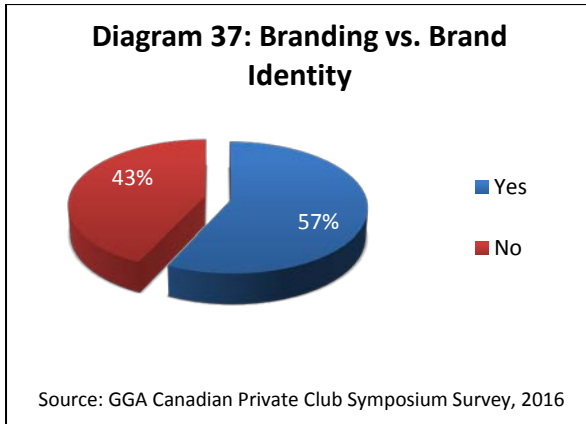
***Q. Does your club currently send SMS (text message) polls to members to gauge satisfaction?***

Respondents were asked whether they currently leverage SMS (text message) polling of their members to gauge members' satisfaction with their overall club experience. All participating clubs (100%) indicated that they do not use SMS or text message communications to gather information from their members.

One-fifth (20%) of participating clubs indicated that they plan to use SMS polling in the future. Of those who do not use SMS polling and do not plan to (80% of overall respondents), the most commonly cited reason is because they have not yet considered it.



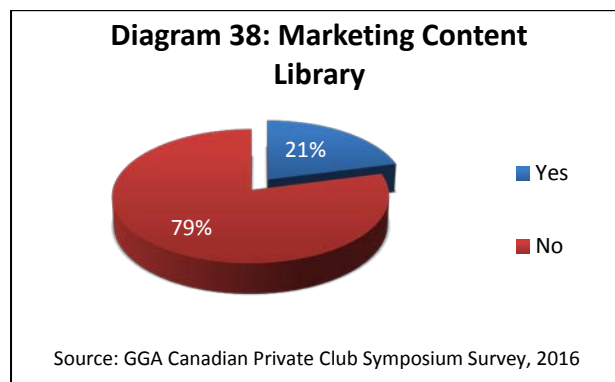
**Q. Does your club distinguish between 'branding' and 'brand identity' in its marketing strategy?**



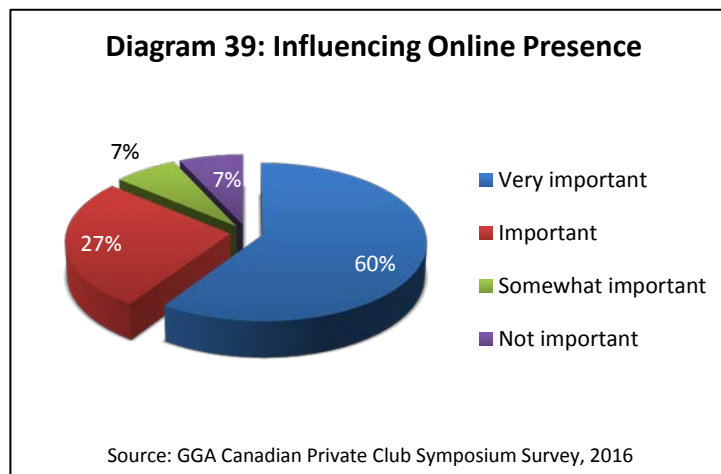
During Symposium presentations there was a distinction made between 'branding' and 'brand identity'. Branding primarily relates to the Where, When, and How of promoting the Club's brand identity, which is typically the Who and Why inherent to a distinct club culture. More than half (57%) of participating clubs make this distinction in their marketing strategies.

**Q. Does your club currently use and refer to a 'content library' for rapid and varied development of marketing materials?**

Approximately one-fifth (21%) of participating clubs currently use and refer to a content library for rapid and varied development of marketing materials. More than three-quarters (79%) of participants do not organize their marketing materials/content in a structured format.



**Q. How important is it for your club to control what information about your club is available online?**



Six out of ten (60%) participating clubs consider it to be very important for their club to control what information about the club is available online, while more than one-quarter (27%) regarded this topic as important. Less than one-tenth (7%) of participating clubs did not consider this to be important.



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