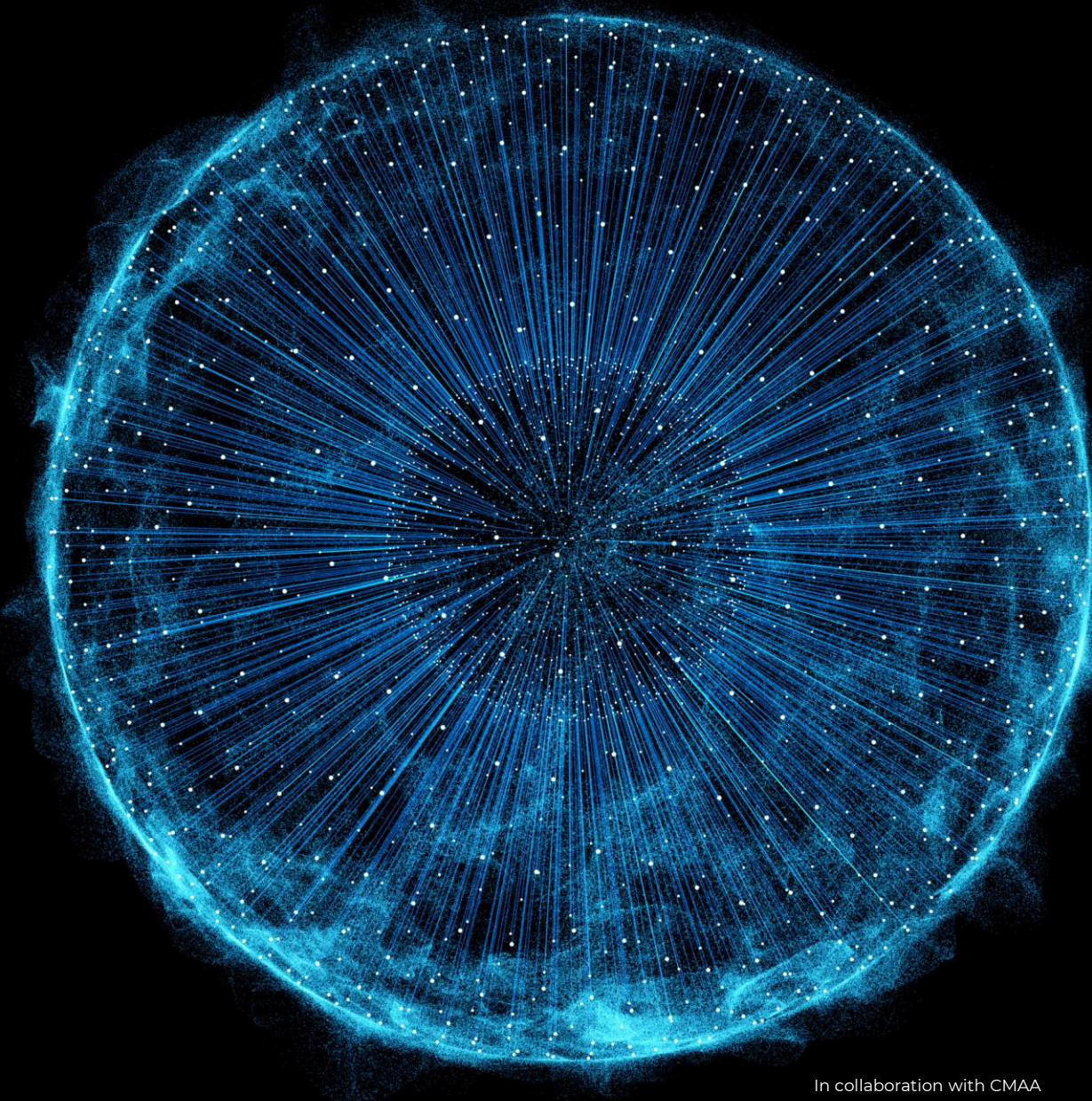


A Club Leader's Perspective:

EMERGING TRENDS & CHALLENGES

A 2021 update on pressing needs in club management. More than 500 club leaders weigh-in on emerging trends and challenges in the wake of the global health crisis.



In collaboration with CMAA



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Putting change into perspective.

In May 2020, GGA Partners launched its [Perspective research initiative](#), a series of surveys which dive into the attitudes, preferences, and industry outlooks of distinct club industry cohorts. The objectives are to provide club operators with demographic-specific insights on various topics and to develop and monitor a go-forward frame of reference on a broader basis.

Published in July 2020, the first installment, [A Member's Perspective: The Shifting Private Club Landscape](#), featured findings from a global survey of more than 6,300 private club members on their attitudes toward the club industry in the wake of the COVID-19 pandemic and how they expect clubs to respond.

At the end of 2020, GGA Partners teamed up with CMAA Research to administer a new survey, [A Club Leader's Perspective: Emerging Trends & Challenges](#), which serves as a contemporary update on pressing needs in club management and takes a look at emerging trends and challenges from the perspective of those in club leadership roles. More than 500 club managers, board members, mid-level managers, and department heads responded to the survey.

By gauging the impact of the coronavirus pandemic on club operations and its ripple effects through 2021 and beyond, the [research findings help club managers and their boards better prepare for the next normal](#).

Thank you to the Club Management Association of America for serving as an important collaborator in the research. GGA Partners is proud to be a long-standing CMAA Business Partner.



**CLUB
MANAGEMENT
ASSOCIATION
OF AMERICA**



Leading through the crisis and beyond the coronavirus.

When we were introduced to COVID-19 in March 2020, no one had any indication that over one year later the number of cases and their toll on society would continue to rise. The rollout of vaccinations is promising, but the road ahead remains filled with uncertainty as to when the next normal will arrive and what shape it will adopt – and how club leaders can reset for growth beyond the coronavirus.

Among the most remarkable industry takeaways from 2020 was the ability for clubs to adapt their operations and service offerings swiftly and effectively in the face of facility closures, variable human resource availability, and rapidly changing restrictions for public health and safety.

Even before the coronavirus pandemic, significant change was underway across the private club landscape. The crisis has not only accelerated these nascent changes but also introduced new obstacles and challenges for clubs to overcome.

2021 is a time for clubs to experiment, and not out of opportunity but of necessity. An agile approach to operations that is marked by diligent measurement and flexibility remains essential.

To help club businesses navigate an uncharted path forward, club leaders weighed-in on emerging trends and challenges across five primary areas:

1. Industry outlooks and the ripple effects of COVID-19
2. Human resources and workforce demands
3. The membership experience, value proposition, and programming
4. Capital planning and long-range improvement strategies
5. Financial position, budgeting, and forecasting

About the Respondents

This edition of our *Perspective* research series gathered responses from 515 club leaders, the majority of whom serve as general managers, COOs, and CEOs.

Club Leader Profile



EMPLOYMENT STATUS

93%	Employed
3%	Managing Director
4%	Other (Retired, Seeking Employment, Owner)



GENDER

20%	Female
80%	Male



POSITION AT CLUB

76%	General manager (GM, CEO, COO)
20%	Department manager (Assistant Manager, Department Head, Director, etc.)
4%	Board/Committee member



AGE CATEGORY

Avg.	51 years
18%	Under 40
76%	40-64
6%	Over 65



CURRENT JOB ROLE¹

74%	Head of Club
10%	Clubhouse Manager/Assistant Manager
6%	F&B Manager/F&B Director/Chef
10%	Other (CFO/Controller, Membership/Marketing)



TENURE IN CURRENT ROLE

Avg.	7.3 years
42%	3 years or less
33%	4-10 years
24%	11 years or more

¹ Answered by General Managers (76% of respondents, n=391) and Department Managers (20% of respondents, n=101).
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

About the Respondents

The right-hand table stratifies respondents' position at club and current job role by average tenure in role, average age, and gender.

Club Leader Profile by Club Role & Job Role

	Avg. Tenure (years)	Avg. Age (years)	Gender Female	Gender Male
Position at Club				
Overall	7.3	51.0	20%	80%
General manager (GM, CEO, COO)	7.9	52.8	13%	87%
Department manager (Assistant Manager, Department Head, Director, etc.)	5.6	41.6	47%	53%
Board/Committee member	5.4	62.5	10%	90%
Current Job Role¹				
Overall	7.2	50.3	21%	79%
Head of Club	7.8	52.6	14%	86%
CFO/Controller	10.1	49.8	67%	33%
Assistant Manager	6.1	44.0	50%	50%
Clubhouse Manager	5.5	46.1	27%	73%
F&B Manager	2.9	32.5	40%	60%
F&B Director	3.4	39.8	50%	50%
Chef	5.3	42.0	0%	100%
Membership/Marketing Leader	4.1	40.2	64%	36%
Other	6.5	46.4	27%	73%

¹ Answered by General Managers (76% of respondents, n=391) and Department Managers (20% of respondents, n=101).

Note: Averages are weighted.

Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

About their Clubs

The respondent sample of 515 club leaders collectively represent 350 clubs, the majority of which are member-owned, non-profit country clubs & golf clubs that operate year-round.

Club Facility Profile



CLUB SEASONALITY

82%	Year-round
18%	Seasonal



ORGANIZATIONAL STATUS

81%	Non-profit
19%	For-profit



CLUB TYPE

55%	Country Club
20%	Golf Club
10%	City/Athletic Club
6%	Marina/Yacht Club
6%	Other
2%	POA/HOA ¹
1%	CIRA ²



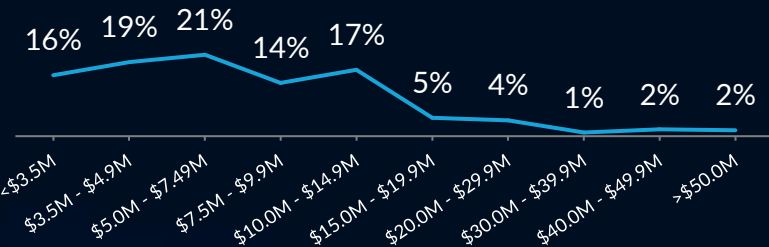
OWNERSHIP STRUCTURE

86%	Member owned
10%	Privately owned (individual or group)
3%	Privately owned (residential developer)
2%	Other



TOTAL OPERATING REVENUE³

Avg.	\$9.6M
16%	Less than \$3.5M
19%	\$3.5M to \$4.9M
21%	\$5.0M to \$7.49M
14%	\$7.5M to \$9.9M
17%	\$10.0M to \$14.9M
13%	\$15.0M or More



¹ Property Owner's Association (POA)/Homeowner's Association (HOA).

² Common Interest Realty Association (CIRA).

³ All sources, excluding joining fees. Average is weighted.

Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

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Executive Summary – Industry Outlooks

Club leaders are optimistic about the future despite facing new and significant challenges in human resources.

Seventy-nine percent of leaders hold an optimistic future economic outlook on the club industry. Leaders report strong club performance during the pandemic, their self-evaluations averaging 8.37 on a 10-is-excellent scale, and more than two-thirds believe the overall club industry will fare better than others in the wake of the pandemic.

Overall positivity increased across individual, collective, and organizational levels as a result of changing consumer preferences brought on by the pandemic.

At the individual level, two-thirds of club leaders say their personal industry outlook has become more optimistic since March 2020. At the collective level, eighty-nine percent believe the importance of their club in the lives of its members has increased, over half say significantly so.

At the organizational level, fifty-one percent expect their club's financial position to improve in 2021.

While only 20% are anticipating a decline in financial position, nearly 60% of leaders cited rising labor costs and a decline in non-member banquets and events as key financial risks to their club over the next 18 months.

Operational changes made by clubs during the pandemic have generated efficiencies, some of which are expected to endure.

More than nine in ten leaders believe their club's operations will be more efficient in the future as a result of changes made during the pandemic.

Seventy-seven percent of leaders believe some changes will most likely end up being permanent, most notably adjustments to hours of operation for certain facilities to reduce costs and the reduction of subsidized member events.

Issues surrounding member compliance with COVID-19 health and safety protocols have been common but manageable.

More than half of club leaders report having encountered issues relating to COVID-19 regulations and compliance from members. However, leaders estimate approximately 90% of members adhere to COVID-19 protocols consistently and willingly while at the club.

Executive Summary – Human Resources

Navigating employee return-to-work concerns and maintaining morale are leading human resources and culture challenges.

Leaders identified human resources as the primary area where they currently face new and significant challenges. Managing employee anxiety, concern, and comfort to return to work is the most widespread challenge while cultivating staff morale and club culture in the new normal tops the list as the highest priority.

Employee return-to-work anxiety attributed to concerns for health and safety, federal relief programs.

More than two-thirds of club leaders say they faced challenges with employees being unwilling to return to work after the club was able to reopen and resume operations, citing employee fear of contracting the coronavirus and competitive unemployment benefits as primary reasons.

Despite the reluctance of some employees to return to work, most challenges have been minimal

in nature. From an overall perspective, most club leaders characterize the current morale and attitude of club staff as optimistic.

Routine morale check-ins and compensation incentives are main tactics being used to support employees and motivate staff.

Over 90% of leaders say their club has implemented tactics to allay fears and assuage employee concerns. Three-quarters have deployed a fixed program of regular morale check-ins and almost half have rolled out bonus or compensation incentives.

Childcare or virtual learning programs for families of staff have seen limited consideration and slim adoption.

One-third of club leaders cited employees' availability/scheduling challenges relating to school closures and having children at home as a reason they believe employees are unwilling to return to work. Yet only 2% of leaders say they have or are

implementing childcare or virtual learning programs for the families of staff and just 19% have considered doing so.

Leaders currently operating at half of historical staffing levels and expect to return to 90% after pandemic.

Relative to historical staffing levels, club leaders say they are currently operating with 49% of their employees.

Leaders foresee a net positive impact from the pandemic on staff compensation, yet opportunities exist to enhance evaluations with detailed performance tracking and more robust information systems.

Execution of employee surveys by clubs is limited and most do not track employee NPS.

Thirty-five percent of leaders say their club surveys its employees yet only one in five are tracking employee Net Promoter Score. Those which do report receiving high marks.

Executive Summary – Membership

Maintaining activities programming and delivering on club value proposition are top membership challenges.

Leaders identified membership as the area where they currently face new and significant challenges the least. However, the most common membership challenges relate to activities programming and value proposition, delivering a membership experience at the expected quality of service. For roughly one-third, managing membership capacity and accommodating new membership growth rank highly in terms of priority.

Since the pandemic's onset, overall membership size and demand for key categories have increased.

Over three-quarters of leaders say that the number of members at their club has either increased or remained the same, with nearly half reporting an increase. Full Membership Equivalents (FME) have increased by an average of 10% overall and new membership growth appears to be primarily driven by increased demand for Intermediate/Junior and Full/Primary categories.

Majority of leaders say annual dues and joining fees have not changed since March 2020; of changes made, most were a typical annual increase vs. result of COVID-19.

Since March 2020, less than half of club leaders say their club has changed annual dues and less than one-third have changed joining fees. In both contexts, changes constitute increases in the normal course as done historically.

Current membership levels are strong and half of leaders expect an increase over the next two years.

Leaders say their clubs are currently at 91% of membership capacity and just one-fifth report having a full wait list. Over the next two years, 96% are expecting their membership level to increase or stay the same, with over half forecasting an increase.

Pandemic dues abatements not widespread, adapted utilization patterns not expected to change

membership capacity.

Just 14% of leaders say their club has offered a form of dues credit or a break on dues as a result of COVID-19. Most breaks were time-based relative to closures or an accommodation for spend minimums.

More than six out of ten club leaders do not foresee COVID-19-related changes to utilization patterns warranting a change to membership capacity at their club going forward.

Few leaders say their club tracks member Net Promoter Score in its surveys.

Eighty-six percent of club leaders say their club does not track member Net Promoter Score. Among clubs which track this metric, leaders report a high average member NPS of 64 overall.

When asked how their club's member NPS changed during the pandemic, almost 60% said member NPS either increased or remained the same, with one-third reporting an increase.

Executive Summary – Capital Planning

Planning, scheduling, prioritizing repairs and replacement are top capital maintenance expenditure challenges.

Going forward, the primary funding mechanisms for capital maintenance (sustaining) expenditures are capital reserve and entrance/joining fees. Over forty percent are planning to fund via surplus from operations.

Prioritizing, reshuffling, arranging long-term financing are top capital improvement/growth project challenges.

Respondent feedback suggests that capital improvement challenges relate to prioritizing and funding growth projects rather than navigating pandemic-related timing changes. Most capital improvement/growth projects are currently proceeding as planned. Improvement and growth projects may be delayed in some cases, but most have not been halted. Only 9% of club leaders indicate having paused or cancelled planned capital projects.

Going forward, leaders are planning to fund new capital improvement/growth projects using a combination of capital reserve and the entrance/joining fees of new members – virtually unchanged relative to capital maintenance expenditures.

Pandemic has accelerated some smaller improvement projects and spurred rethinking of clubhouse space.

Three in ten leaders say their club used closures related to COVID-19 – and/or anticipated decreases in club utilization – as an opportunity to complete capital improvement/growth projects their club otherwise may not have prioritized, most of which were small-scale or minor in nature.

Knowing that working from home will likely remain more prevalent following the pandemic, almost forty percent of leaders report their club is rethinking the use of its clubhouse space. Among those which are, three-quarters are considering offering a business center or meeting rooms with enhanced technology.

More than half of clubs have added, significantly improved, or enhanced amenities in the past 3 years.

In recent years, new amenity additions have focused predominantly on pickleball and golf simulators while significant improvements or expansions have focused on food and beverage/dining and golf course enhancement.

When asked about the impact these capital projects have had, more than four in five leaders say the projects have increased club utilization while roughly seventy percent believe they have increased demand for membership. Amenities significantly improved or expanded which have yielded the greatest indication of increased utilization and membership demand: F&B Dining, Golf Course, and Aquatics/Swimming Pool.

Within the next 3 years, expanded outdoor dining is the top new amenity addition clubs are considering. However, those evaluating golf course additions are currently the farthest along in their considerations relative to those contemplating other amenity additions.

Executive Summary – Finance

Reduced weddings/events business the top financial challenge for clubs.

Reduced weddings and events business is the most commonly cited financial challenge according to three quarters of participating club leaders while reduced cash flow from operating activities ranked highly on the basis of priority.

Dues revenue as a percentage of total revenue expected to increase in 2021 and stabilize in the new normal.

Over the last three fiscal years, the median dues revenue as a percentage of total revenue has been 52%, yet club leaders expect it to climb to 61% this year as a result of the pandemic and project it to settle at 55% in the “new normal”.

Based on current forecasts, 62% of leaders believe their club’s net income will meet or exceed pre-COVID budgets.

The median anticipated difference between actual net income and pre-COVID budgeted net income

for the current fiscal year is approximately \$20,000.

Leaders expect their club’s general financial position to improve over the next 2 years.

Between Jan. 2021 and Jan. 2023, more than nine in ten leaders believe their club’s general financial position will either remain the same or improve, with well over half expecting improvement. Club leaders who are bullish about an improved financial position primarily attribute this stance to increased membership sales as well as increased operating revenue and joining/entrance fees. Those expecting a deterioration in financial position attribute their outlook to declining food and beverage sales, less operating revenue, and member resignations.

Sixty percent of club leaders expect their club’s cash, cash equivalent, and capital reserve balance to change over the next two years; nearly half are anticipating an increase while 14% foresee a decrease.

Based on current forecasts, leaders anticipate actual performance results to exceed pre-COVID budgets

in most areas.

The top areas expected to exceed budgets are initiation fees, growth capital expenditures, and membership sales. Areas where club leaders expect to land on target relate to sports, activity, and program fees, interest expense, debt principal payments, and membership resignations. The top areas expected to fall short include food and beverage sales and operating expenses.

One in four clubs have explored changes to operating structure or debt restructuring during pandemic.

More than one-quarter of leaders report that their club has considered a change in operating structure post-COVID-19 and the most commonly reported changes relate to juggling human resources, positions, and job roles.

Twenty-seven percent of leaders say their club has considered debt restructuring or refinancing options during the pandemic. Of those considering, more than nine in ten say their club’s financial institutions have been receptive to debt restructuring or refinancing.

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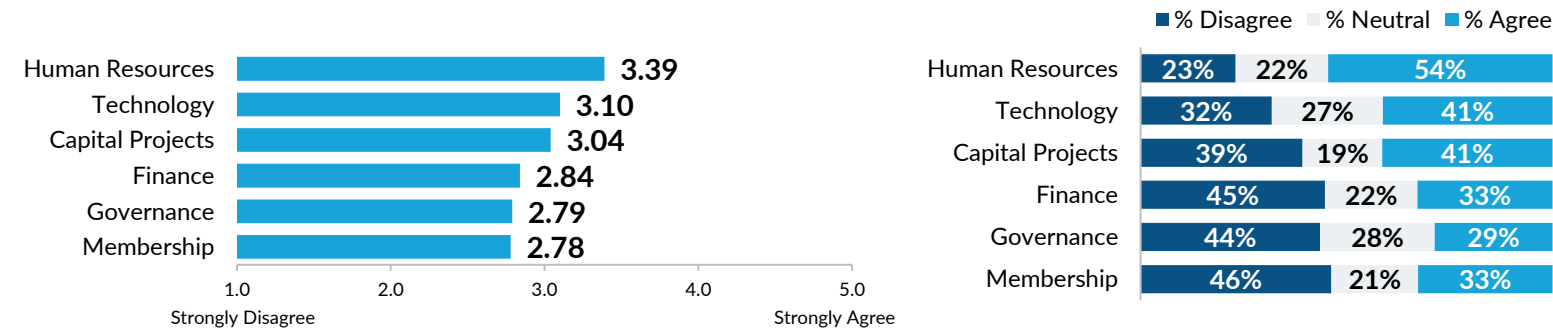
Industry Outlooks & the Ripple Effects of COVID-19



Club leaders are optimistic about the future despite facing new & significant challenges in human resources

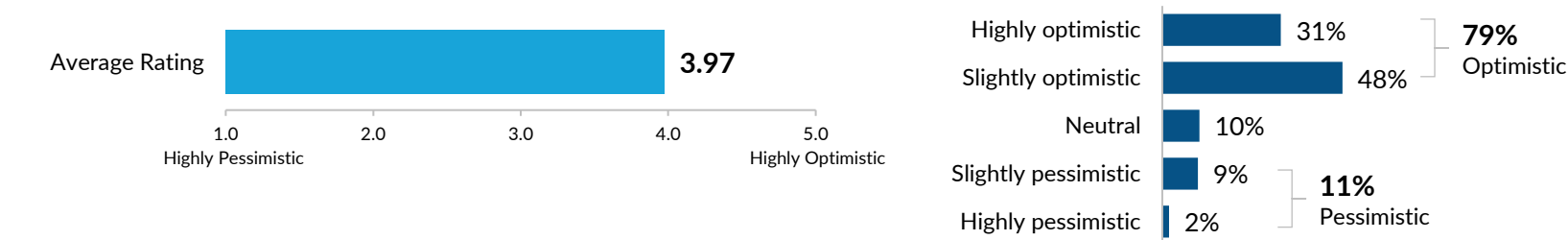
Over half of club leaders are currently facing new and significant challenges related to human resources, with technology and capital projects emerging as secondary and tertiary concerns.

Currently Facing New & Significant Challenges In

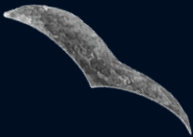
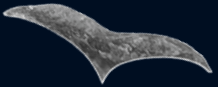


As they navigate evolving obstacles, leaders are cautiously optimistic about the club industry's economic future. While roughly four in five report overall levels of optimism, less than one-third are highly optimistic (31%).

Future Economic Outlook of Club Industry



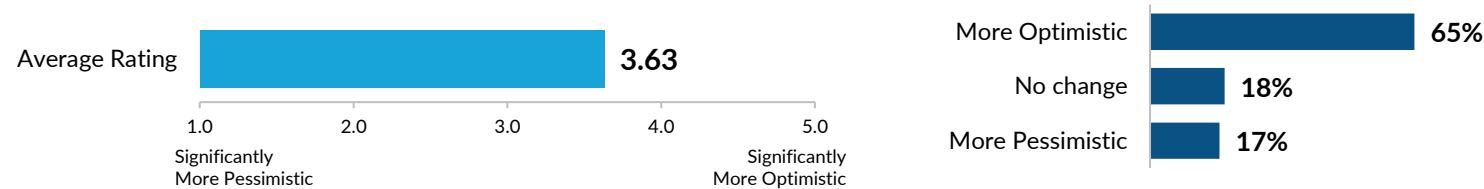
Note: Percentages may not total 100 percent due to rounding.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.



Overall positivity increased across individual, collective, and organizational levels as a result of the pandemic

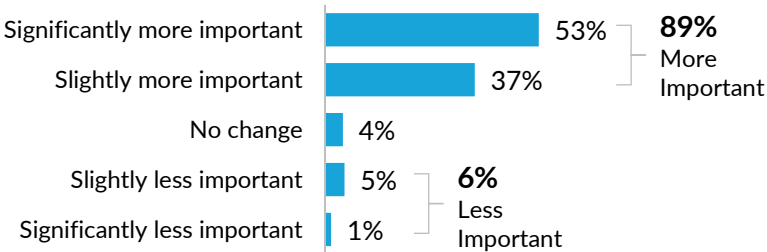
Since March 2020, and as a result of changing consumer preferences from the pandemic, two-thirds of club leaders say their personal industry outlook has become more optimistic.

Change in Personal Industry Outlook Since March 2020



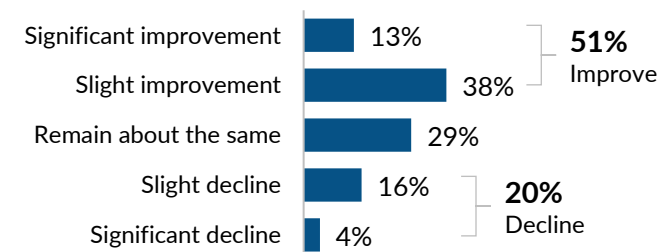
Nearly nine in ten leaders believe the pandemic has caused the importance of their club in the lives of its members to increase, over half say significantly so.

COVID-19 Impact on Importance of Club to Members



Roughly half of leaders believe their club's financial position will improve over the next 12 months (2021 calendar year), only one in five are expecting it to decline.

Expected Change in Club Financial Position - Next 12 Months

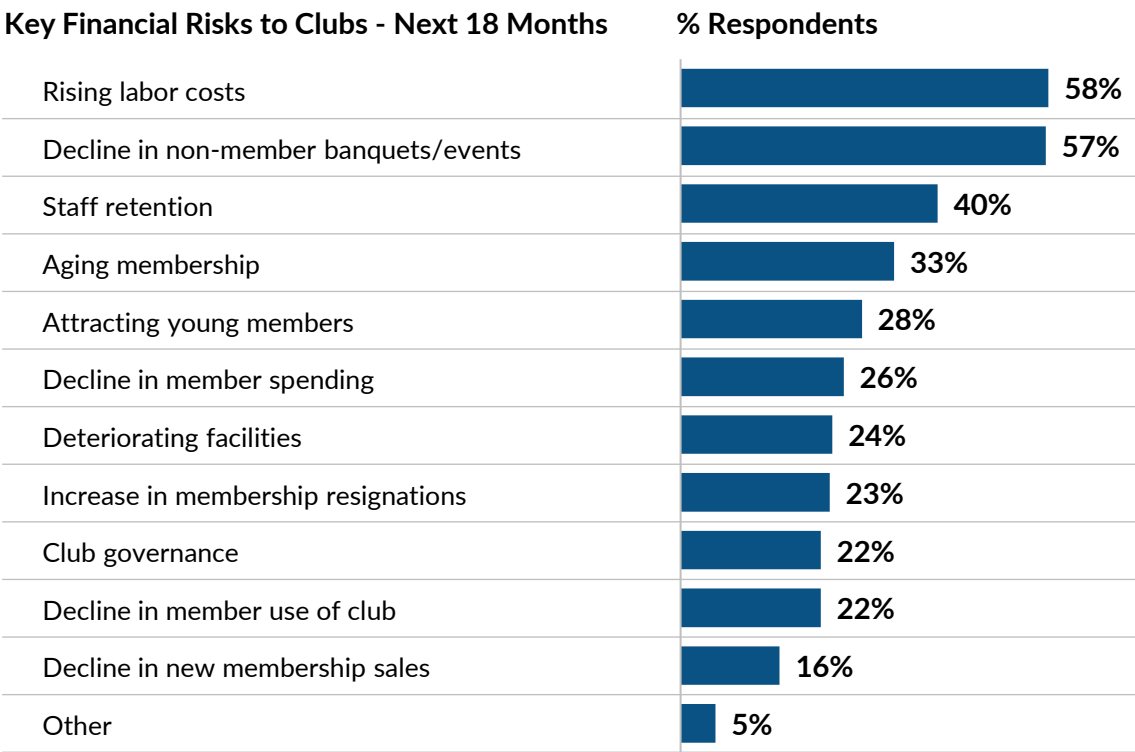


Since March 2020, industry outlooks became more optimistic, clubs became more important to members, & club financial positions are expected to improve.

Note: Percentages may not total 100 percent due to rounding.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

Rising labor costs and a decline in non-member banquets & events identified as key club financial risks

Nearly 60% of leaders cited rising labor costs and a decline in non-member banquets/events as key financial risks to their club over the next 18 months (between Jan 2021-June 2022).



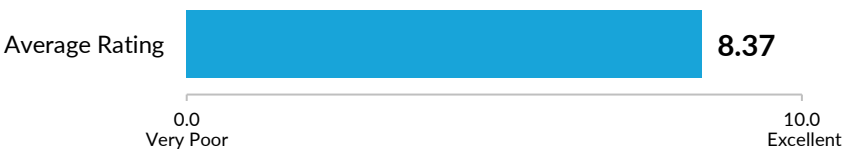
Note: Percentages do not total 100 percent due to multiple selection options.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.



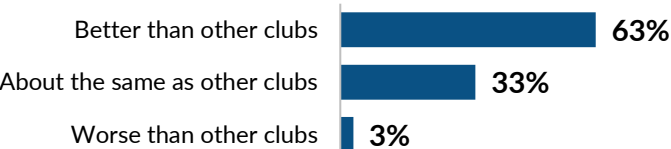
Leaders report strong club performance during pandemic & expect the club industry to fare better than others

Club leaders self-evaluated their club’s performance through the COVID-19 crisis and overall ratings are quite strong, averaging 8.37 on a 10-is-excellent scale. Two-thirds feel their club has outperformed others while one in three view their club’s performance as on par with the rest.

Club Performance Throughout COVID-19 Pandemic

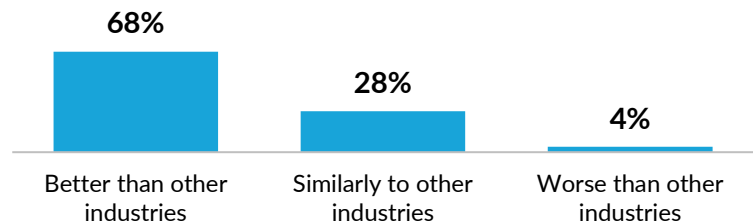


Performance Relative to Other Clubs



Over the next 18 months (between Jan 2021-Jun 2022), more than two-thirds of club leaders believe the overall club industry will fare better than other industries in the wake of the pandemic.

How Club Industry Will Fare - Next 18 Months



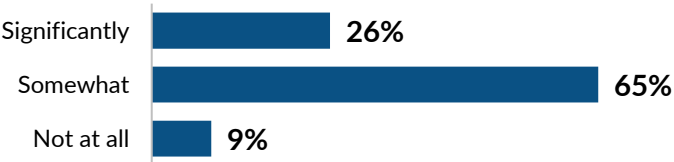
Note: Percentages may not total 100 percent due to rounding.
Source: GGA Partners A Club Leader’s Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.



Operational changes made during the pandemic generated efficiencies, some changes expected to endure & efficiencies to carry forward

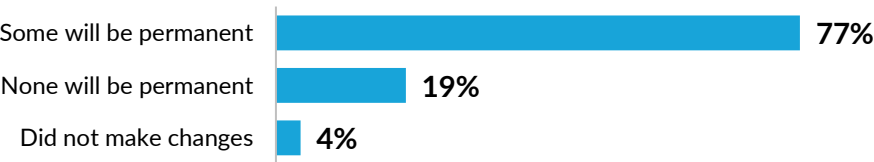
More than nine in ten leaders believe their club’s operations will be more efficient in the future as a result of changes made during the pandemic. Roughly one-quarter expect operations to be significantly more efficient while two-thirds foresee more moderate impacts.

Extent to Which Future Club Operations Expected to be More Efficient as Result of Changes Made During Pandemic



Over three-quarters of club leaders believe some of the changes will most likely end up being permanent. Only 4% of respondents said their club did not make any operational changes during the pandemic.

Expectation for Pandemic Changes to Endure



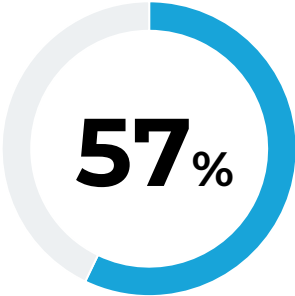
Operational Changes Most Likely to Be Permanent	% Respondents
Hours of Operation: Adjustment to hours of operation for certain facilities to reduce costs	44%
Member Events: Reduction of subsidized member events	31%
Service Standards: Refinement of service standards to reduce staffing costs	29%
Number of Facilities: Adjustment to number and type of facilities (i.e. dining outlets)	26%
Service Reduction: Reduction of auxiliary, amenity-specific services	19%
Other: Changes summarized below	17%
No Permanent Changes: None of the operational changes will be permanent	19%
No Changes Made: No, have not made operational changes	4%

The most common other operational changes reported by participants¹ include: increased a la carte dining and fewer buffets, expanded indoor dining space and sanitation, increased F&B takeout/curbside/delivery services, decreased banquets and non-member events, greater focus on technology/virtual events/concierge services, increased outdoor dining and events, increased use of reservation system for dining and clubhouse amenities, more efficient use of golf course through tee-time intervals rather than shotgun starts, communication methods/frequencies with an emphasis on virtual/website/mobile app, virtual board/committee meetings, consolidation of staff/redundancy reduction.

¹ Answered by club leaders who submitted other operational changes (17% of respondents, n=82).
Note: Percentages may not total 100 percent due to rounding or multiple selection options.
Source: GGA Partners A Club Leader’s Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

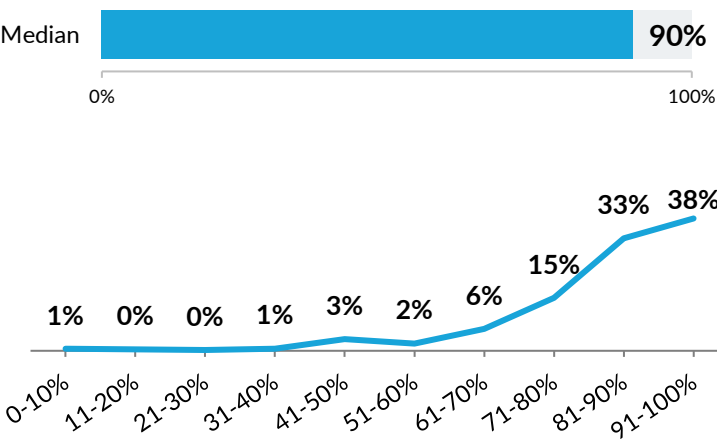
Issues surrounding member compliance with COVID-19 health & safety protocols are common but manageable

More than half of club leaders report having encountered issues relating to COVID-19 regulations and compliance from members.



However, leaders estimate approximately 90% of members adhere to COVID-19 protocols consistently and willingly while at the club.

% of Members Adhering Consistently & Willingly While at the Club



In terms of response distribution, only 14% of respondents report a frequency of member compliance with COVID-19 protocols that was lower than 71% of the time.

Note: Percentages may not total 100 percent due to rounding.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

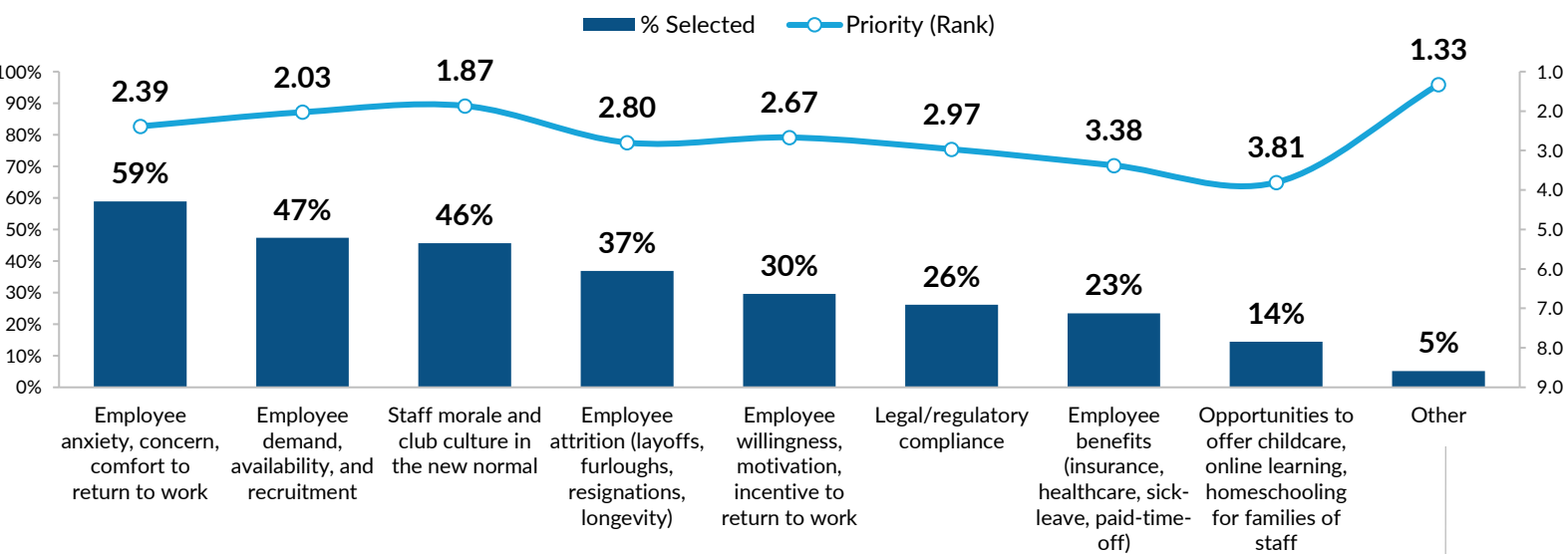


Human Resources & Workforce Demands

Navigating employee return-to-work concerns & maintaining morale are leading HR/culture challenges

Leaders identified human resources as the primary area where they currently face new and significant challenges. Managing employee anxiety, concern, and comfort to return to work is the most widespread challenge while cultivating staff morale and club culture in the new normal tops the list as the highest priority.

Top Human Resource Challenges



Other challenges reported by participants¹ include: difficulty filling available roles due to enhanced unemployment benefits, impact of minimum wage increases, compliance with evolving COVID-19 protocols and required employee training/education, ambiguity regarding longevity of pandemic-related changes, concern regarding staff complacency and ability to readjust to normal operations.

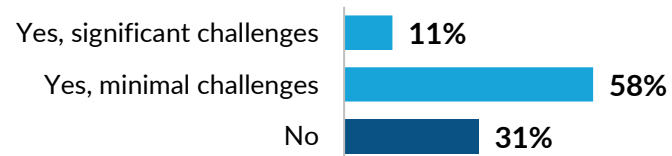
¹ Answered by club leaders who submitted other human resource challenges (5% of respondents, n=25).
Note: Percentages do not total 100 percent due to multiple selection options. Respondents asked to select items from a list then rank those selected with "1" being the highest priority.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.



Employee return-to-work anxiety attributed to concerns for health & safety, federal relief programs

More than two-thirds of club leaders say they faced challenges with employees being unwilling to return to work after the club was able to reopen and resume operations, citing employee fear of contracting the coronavirus and competitive unemployment benefits as primary reasons.

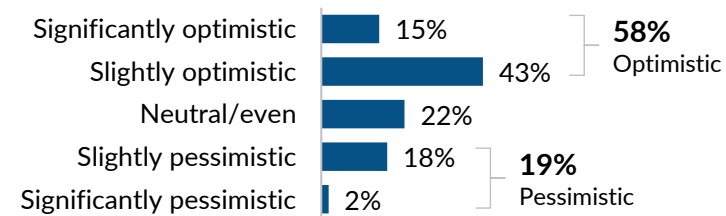
Faced Challenges with Employees Unwilling to Return to Work



Despite the reluctance of some employees to return to work due to health and safety concerns, most challenges have been minimal in nature. From an overall perspective, most club leaders characterize the current morale and attitude of club staff as optimistic.

Reasons Employees Unwilling to Return ¹	%
Fear of contracting COVID-19	67%
Secured competitive unemployment benefits	65%
Availability/scheduling challenges relating to school closures and having children at home	33%
Motivation and work environment (isolated, lonely, limited social interactions, adherence to health/safety protocols)	13%
Found alternative employment	10%
Other	6%

Current Attitude/Morale of Club Staff

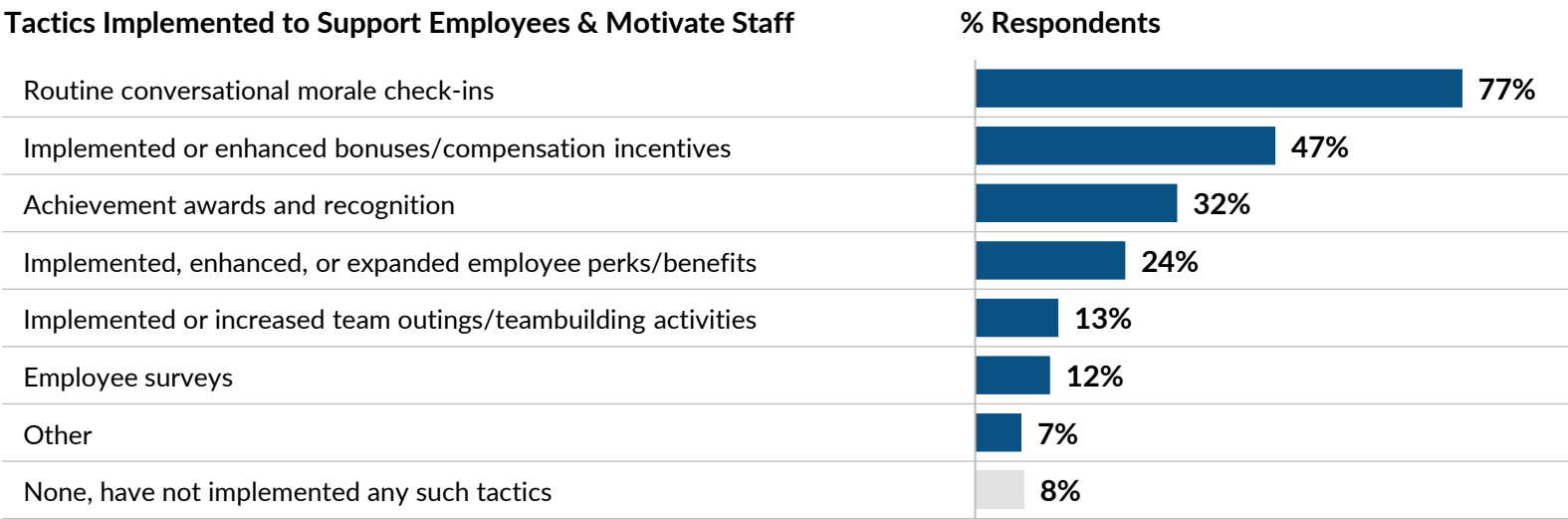


Fear of contracting COVID-19 & competitive unemployment benefits believed to be fueling return-to-work challenges.

¹ Answered by club leaders who encountered employee return-to-work challenges (69% of respondents, n=331)
Note: Percentages may not total 100 percent due to rounding.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

Routine morale check-ins & compensation incentives are main tactics to support employees, motivate staff

Over 90% of leaders say their club has implemented tactics to allay fears and assuage employee concerns. Three-quarters have deployed a fixed program of regular morale check-ins and almost half have rolled out bonus or compensation incentives.



33% One-third of club leaders cited employees' availability/scheduling challenges relating to school closures and having children at home as a reason they believe employees are unwilling to return to work, yet...

2% Only 2% of leaders say they have or are implementing childcare or virtual learning programs for the families of staff and just 19% have considered doing so.

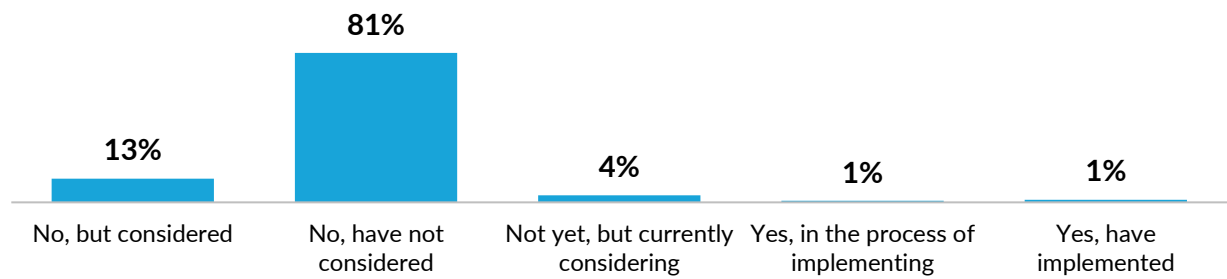
Note: Percentages may not total 100 percent due to rounding or multiple selection options.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.



Childcare or virtual learning programs for families of staff have seen limited consideration & slim adoption

Four out of five leaders have not considered the possibility of their club offering childminding or remote learning program to the families of staff. Of those who have, most encountered logistical, legal, or practical roadblocks which outweighed the benefits of implementation.

Implementing Childcare or Virtual Learning Programs for Families of Staff



Among leaders who considered but did not implement this type of program¹, the primary reasons related to costs vs. employee demand/need (both too low and too high), delivering on anticipated parent expectations, space or lack of facilities, liability and safety concerns.

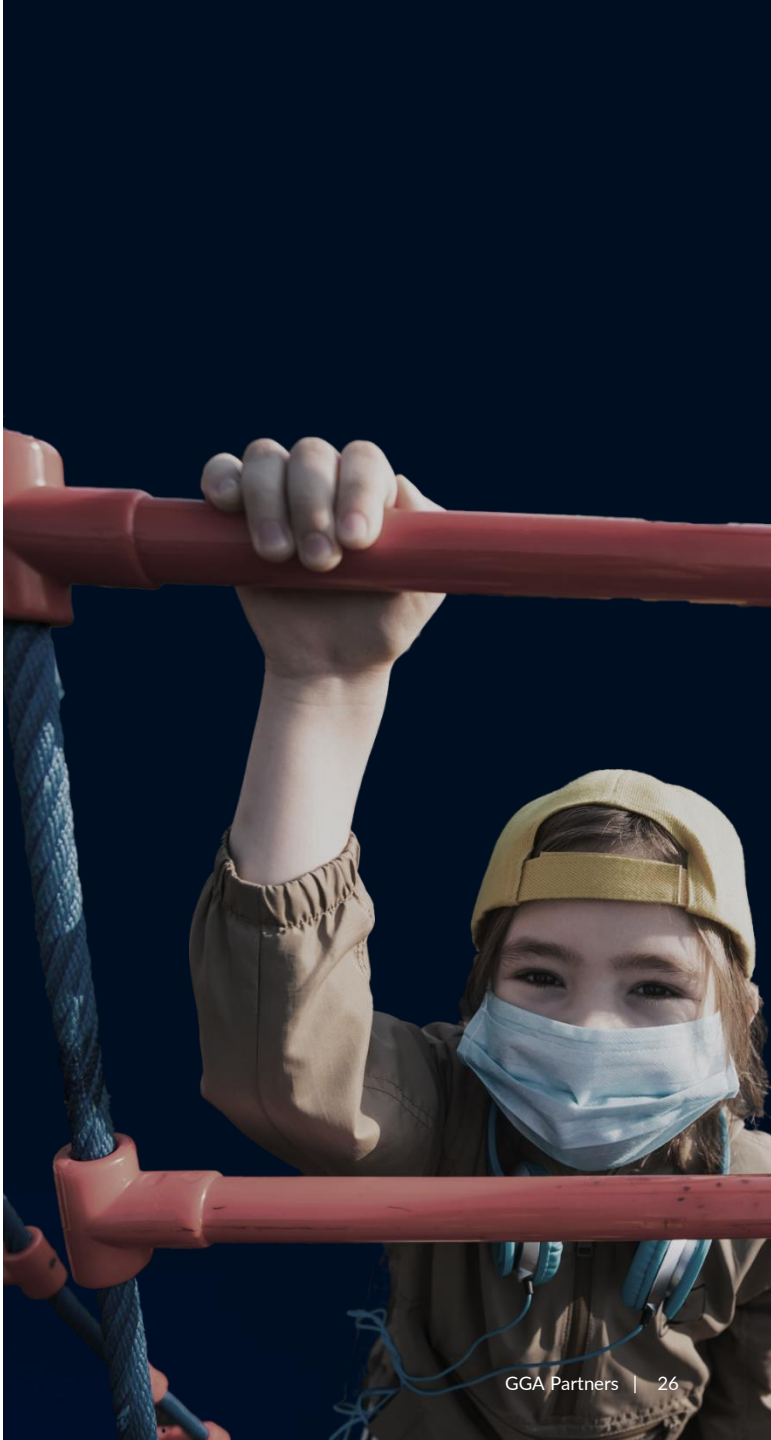
Examples from leaders who have or are implementing such a program² include limited babysitting and childcare, virtual fitness and cooking classes, supervised distance learning and after school program, and virtual education for staff focused on job-relevant skills/protocols.

¹ Answered by leaders who considered but did not implemented childcare or virtual learning (13% of respondents, n=61)

² Answered by leaders who have implemented childcare or virtual learning (2% of respondents, n=11).

Note: Percentages may not total 100 percent due to rounding.

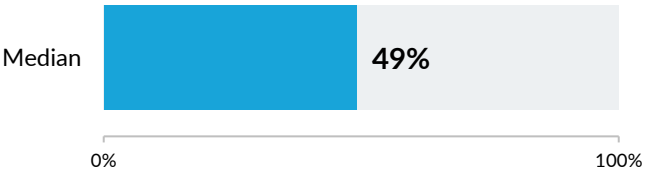
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.



Leaders currently operating at half of historical staffing levels & expect to return to 90% after pandemic

Relative to historical staffing levels¹, club leaders say they are currently operating with 49% of their employees and believe their club will operate with 90% of their employees after the pandemic.

% Employees Currently Operational Relative to Historical Staffing Levels



% Employees Expected to be Operational After Pandemic Relative to Historical Staffing Levels

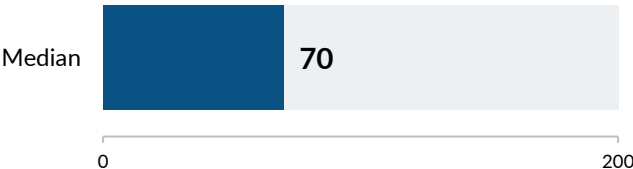


Before the COVID-19 pandemic, leaders reported that their club typically operated with a peak employee headcount² of 120 total employees and 70 Full Time Equivalents³ (FTEs).

Peak Count: Total Employees Operating Pre-COVID-19



Peak Count: Full Time Equivalents (FTE) Operating Pre-COVID-19



¹ Response capture utilized a sliding scale of consecutive percentages ranging from -100% to +100% of historical staffing levels.

² Response capture utilized a sliding scale of consecutive integers ranging from 1-1,000 employees

³ Full Time Equivalent calculation based on 52 weeks per year at 40 working hours per week [FTE Employees = Total salaried employees + (Total hourly staff hours / 2,080)]

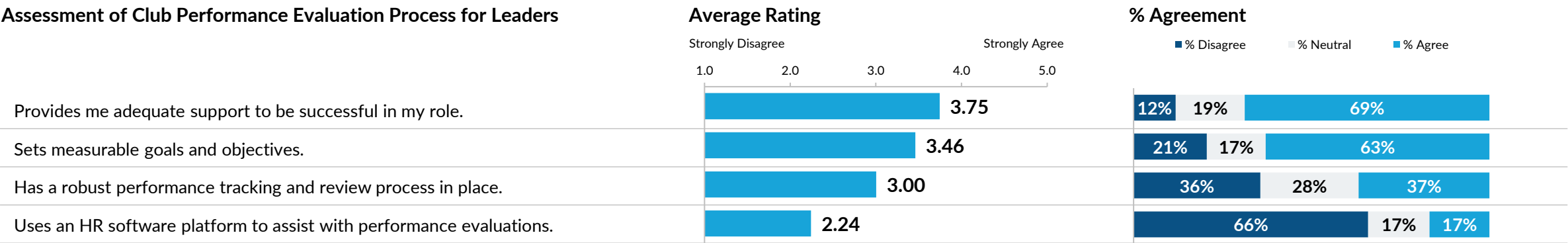
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.



Leaders foresee a net positive impact from the pandemic on staff compensation, opportunities exist to enhance evaluations with detailed performance tracking

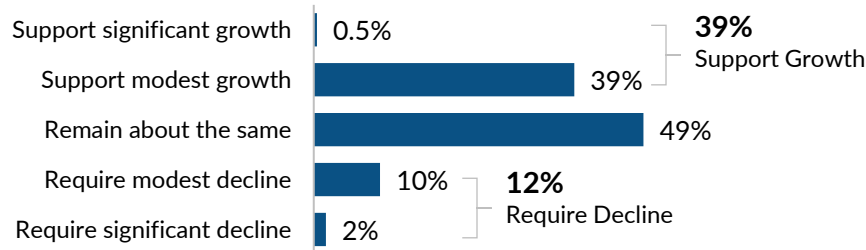
Approximately two-thirds of club leaders consider their club’s performance evaluation process to be adequate in supporting their success in their role and in setting measurable goals and objectives. However, leaders are ambivalent as to whether the evaluation sufficiently tracks performance and factors it into the review process, with less than one-fifth indicating their club’s use of an HR software platform to support their evaluation.

Assessment of Club Performance Evaluation Process for Leaders



Time can only tell whether the health crisis will have a lasting impact on the total annual compensation for club staff going forward. While almost forty percent of club leaders believe the pandemic’s impact will support growth, half expect it to remain the same.

COVID-19 Impact on Total Annual Staff Compensation Going Forward

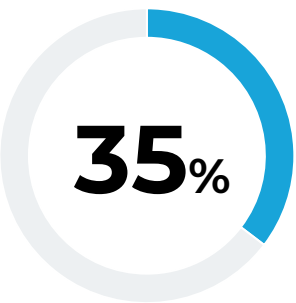


Note: Percentages may not total 100 percent due to rounding or multiple selection options.
Source: GGA Partners A Club Leader’s Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

Execution of employee surveys by clubs is limited & most do not track willingness to endorse club to others

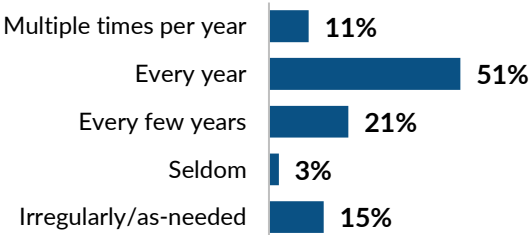
Just over one-third of leaders say their club surveys its employees, with most executing at least once per year (62%).

Only one in five are tracking employee Net Promoter Score and report a high average employee NPS of 63 overall.

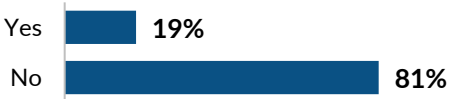


of clubs conduct employee surveys

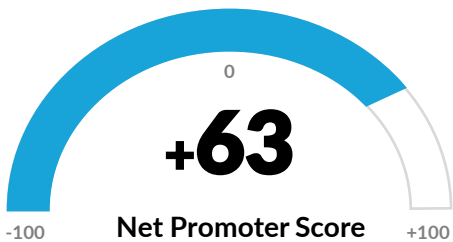
Employee Survey Frequency¹



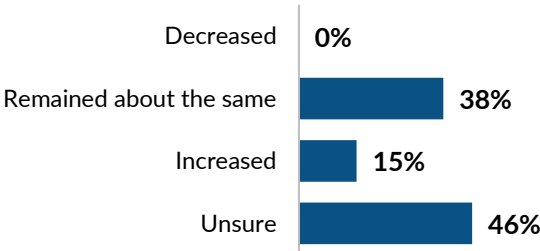
Track Employee NPS¹



Average Current Employee NPS²



NPS Change During Pandemic²



Two-in-three club leaders say their club does not survey its employees.

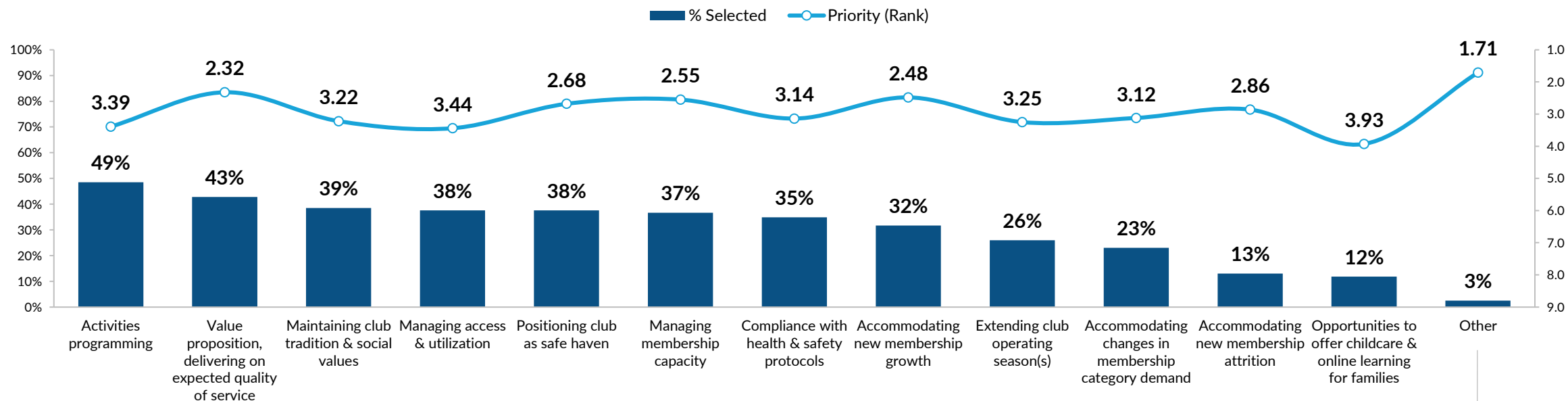
¹ Answered by leaders whose club conducts employee surveys (35% of respondents, n=152).
² Answered by leaders whose club conducts employee surveys and tracks employee NPS (7% of respondents, n=28).
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

Membership Experience, Value Proposition & Programming

Maintaining activities programming & delivering on club value proposition are top membership challenges, managing capacity & accommodating growth rank high

Leaders identified membership as the area where they currently face new and significant challenges the least. However, the most common membership challenges relate to activities programming and value proposition, delivering a membership experience at the expected quality of service. For roughly one-third, managing membership capacity and accommodating new membership growth rank highly in terms of priority.

Top Membership Challenges



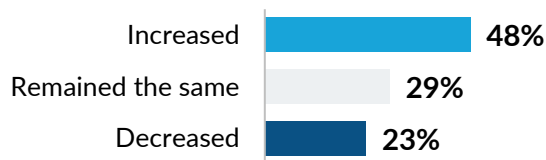
Other challenges reported by participants¹ include: accommodating member demand for facilities while adhering to government pandemic guidelines, communicating with members on how to pay for reduced outside income sources, maintaining community morale and exciting/attracting members who can be irritable/dissatisfied due to service restrictions or feel uncomfortable coming to the club.

¹ Answered by club leaders who submitted other membership challenges (3% of respondents, n=11).
Note: Percentages do not total 100 percent due to multiple selection options. Respondents asked to select items from a list then rank those selected with "1" being the highest priority.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

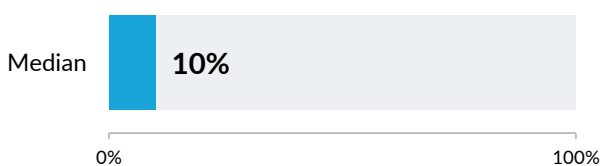
Since the onset of the pandemic, overall membership size & demand for key categories have increased

Over three-quarters of leaders say that the number of members at their club has either increased or remained the same, with nearly half reporting an increase. Full Membership Equivalents (FME) have increased by an average of 10% overall.

Change in Number of Members
Since March 2020

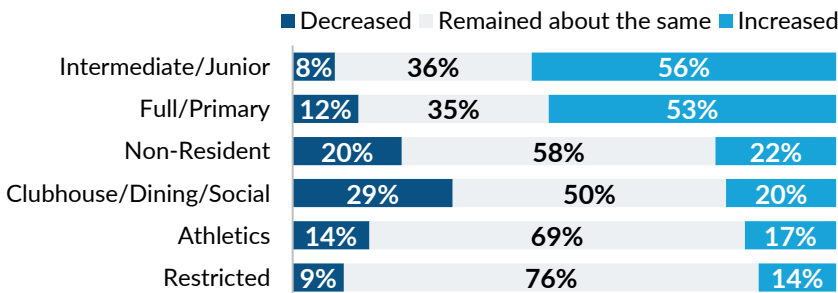


Change in Full Member Equivalents¹
Since March 2020



New membership growth appears to be primarily driven by increased demand for Intermediate/Junior and Full/Primary categories.

Change in Membership Category Demand
Since March 2020



Change in Membership Category Demand
Summary

Biggest Increase in Demand:
Intermediate/Junior & Full/Primary

Biggest Decrease in Demand:
Clubhouse/Dining/Social & Non-Resident

Least Change in Demand:
Restricted & Athletics

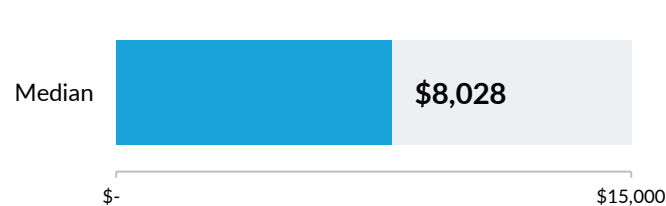
Since March 2020, roughly half of club leaders report increased member headcount & increased demand for Intermediate & Full privilege categories.

¹ Response capture utilized a sliding scale of consecutive percentages ranging from -100% to +100% for FME change.
Note: Percentages may not total 100 percent due to rounding.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

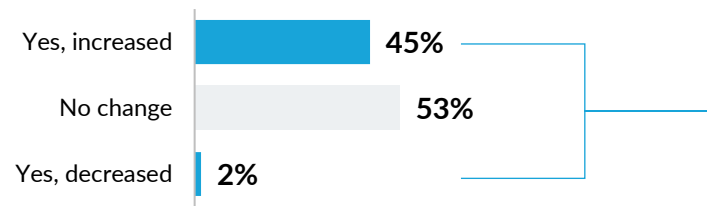
Majority of leaders say annual dues & joining fees have not changed since March 2020; of changes made, most were a typical annual increase vs. result of COVID-19

Overall, the median annual dues for Full membership are approximately \$8,000. Slightly less than half of club leaders say their club has changed annual dues since March 2020 and, of this group, most have increased annual dues in the normal course as they have done historically.

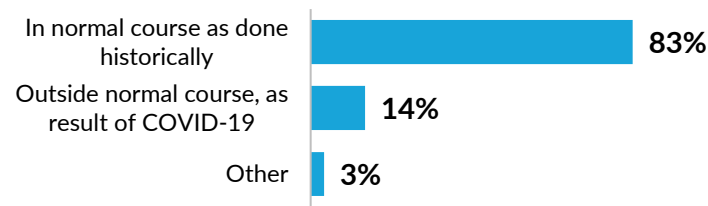
Full Membership Annual Dues Currently¹



Changed Annual Dues Since March 2020

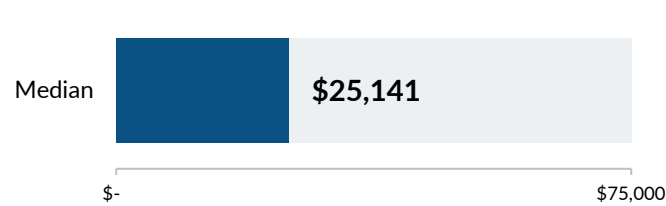


Reason for Changed Annual Dues²

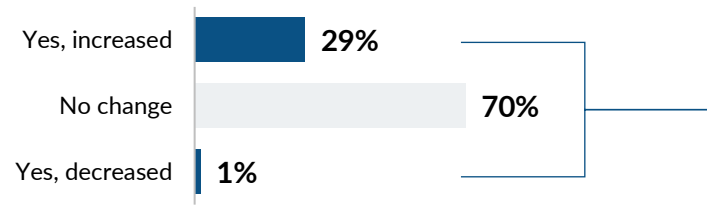


Overall, the median joining fee for Full membership is roughly \$25,000. Less than one-third of club leaders say their club has changed joining fees since March 2020 and, of this group, most have increased joining fees in the normal course as they have done historically.

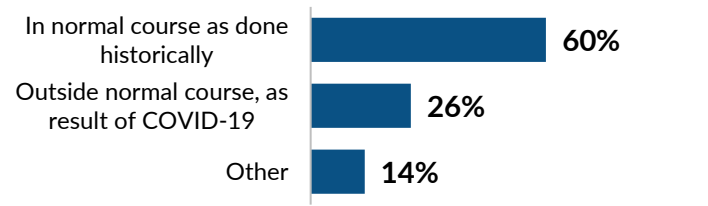
Full Membership Joining Fees Currently³



Changed Joining Fees Since March 2020



Reason for Changed Joining Fees⁴

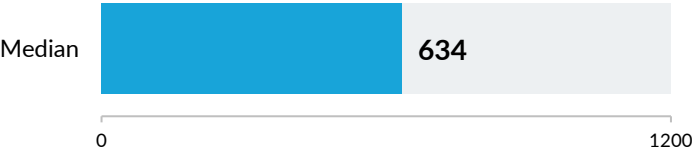


¹ Response capture utilized a sliding scale of consecutive dollar amounts ranging from \$1-\$50,000 for Full Membership Annual Dues.
² Answered by leaders whose club has changed annual dues since March 2020 (47% of respondents, n=201).
³ Response capture utilized a sliding scale of consecutive dollar amounts ranging from \$1-\$350,000 for Full Membership Joining Fees.
⁴ Answered by leaders whose club has changed joining fees since March 2020 (30% of respondents, n=102).
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

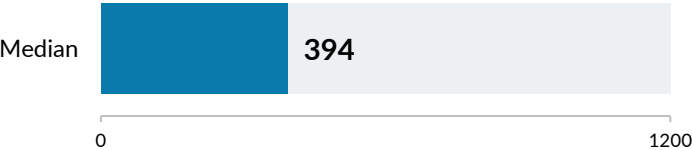
Current membership levels are strong & half of club leaders expect an increase over the next two years

Leaders say their clubs are currently at 91% of membership capacity and just one-fifth report having a full wait list. Over the next two years, 96% are expecting their membership level to increase or stay the same, with over half forecasting an increase.

Total Memberships Currently¹



Total Full Memberships Currently¹



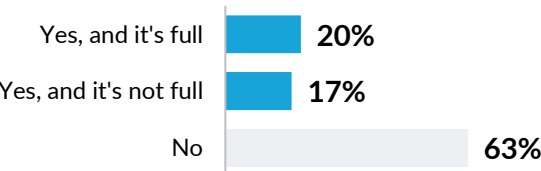
Total Full Membership Equivalents Currently¹



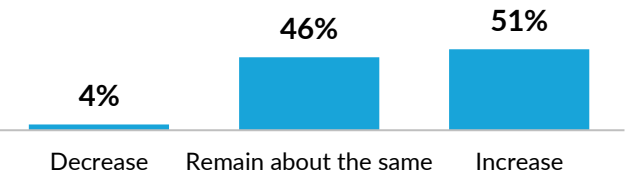
% Membership Capacity Currently²



Club Has Wait List for Membership



Change in Membership Level Next 2 Years



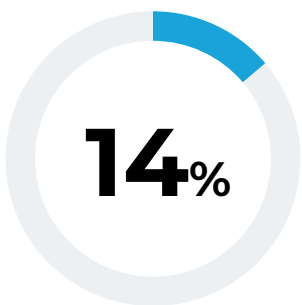
¹ Response capture utilized a sliding scale of consecutive integers ranging from 1-10,000 for total membership counts.

² Response capture utilized a sliding scale of consecutive percentages ranging from 0-100% of membership capacity.

Note: Percentages may not total 100 percent due to rounding.

Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

Pandemic dues abatements not widespread, utilization patterns not expected to change membership capacity



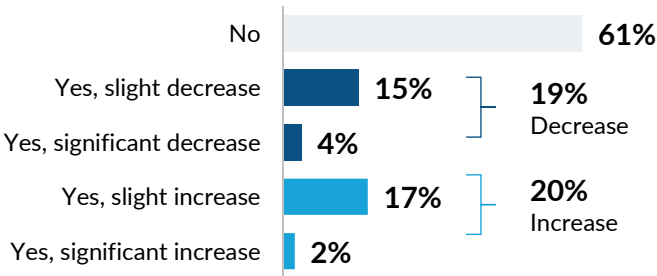
offered some form of dues credit due to pandemic

Just 14% of leaders say their club has offered a form of dues credit or a break on dues as a result of COVID-19. Most breaks were time-based relative to closures or an accommodation for spend minimums.

Mechanisms reported by respondents included nominal dollar credits on club food and beverage or retail, percentage discounts on dues paid early, variable percentage discounts by month, forgiveness or rollover of unused spend minimums, percentage discounts on as-needed by-request basis, credits valued based on time periods of club closure(s), delayed annual dues increases while amenities/services were closed, cessation/suspension/elimination of ancillary fees such as social dues or spend minimums, rate freezes or late fees.

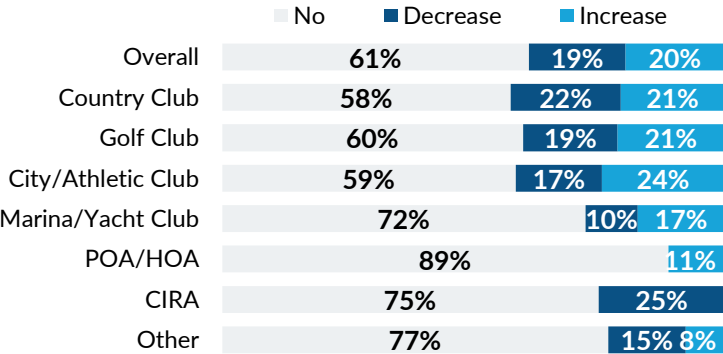
Roughly four out of ten club leaders foresee COVID-19-related changes to utilization patterns warranting a change to membership capacity at their club going forward. Club cohorts expecting the need for increased capacity: seasonal clubs (23% increase), city/athletic clubs (24%), total operating revenue of \$5.0M-\$7.49M (25%), privately owned (25%), and for-profit (23%).

Foresee Pandemic-Related Changes to Utilization Warranting Change to Membership Capacity



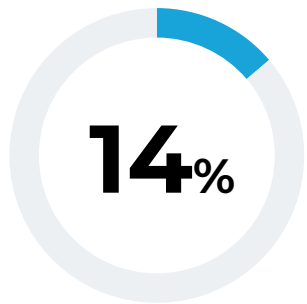
Note: Percentages may not total 100 percent due to rounding.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

By Club Type



COVID-19-related changes to club utilization patterns are not expected to warrant change to membership capacity going forward.

Relatively few leaders say their club tracks member Net Promoter Score in its surveys



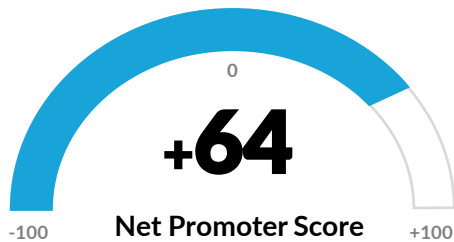
of clubs track member Net Promoter Score

Less than one-fifth of club leaders indicated that their club tracks member Net Promoter Score (NPS) within their member surveys.

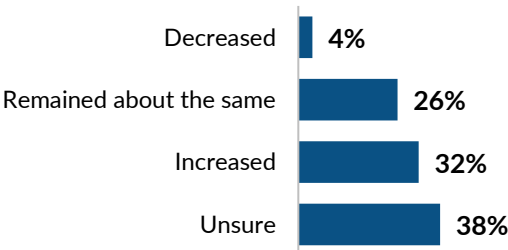
Club cohorts with greater tracking of member NPS: country clubs (16% track), city/athletic clubs (18%), total operating revenue of \$15M+ (21%), privately owned by residential developer (29%), and for-profit (19%).

Among clubs which track this metric, leaders report a high average member NPS of 64 overall. When asked how their club’s member NPS changed during the pandemic, almost 60% said the metric either increased or remained the same, with one-third reporting an increase.

Average Current Member NPS¹



Member NPS Change During Pandemic¹



86% of club leaders say their club does not track member Net Promoter Score.

¹ Answered by leaders whose club tracks member NPS (14% of respondents, n=55).
Source: GGA Partners A Club Leader’s Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

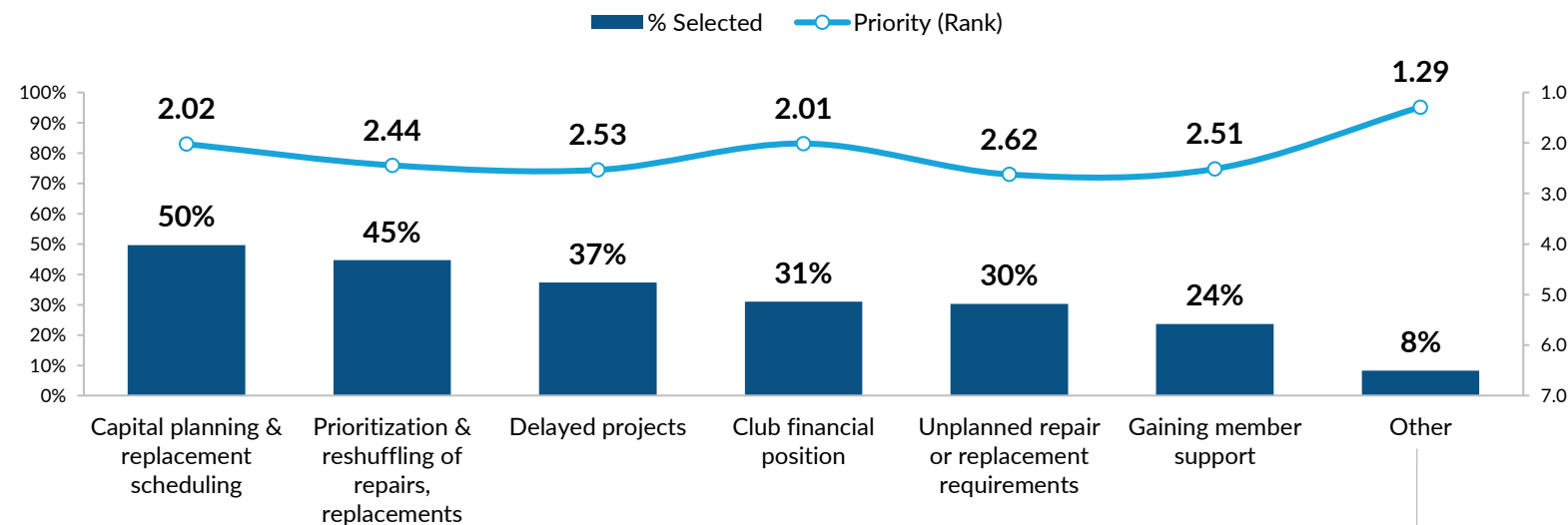
An aerial photograph of a red clay tennis court. Two players are visible: one in a red shirt on the left side of the net, and another in a blue shirt on the right side. The court is divided by a central net and side lines. The background is a dark green field.

Capital Planning & Long-Range Improvement Strategies

Planning, scheduling, prioritizing repairs & replacement are top capital maintenance expenditure challenges

This section considers new and significant challenges relating to capital expenditures in two ways: capital maintenance (sustaining) expenditures and, in a few pages, capital improvement/growth expenditures. First, a look at maintenance and sustaining capital expenditures (the repair and replacement of existing assets). Capital planning and replacement scheduling as well as the prioritization and reshuffling of repairs and replacements are the most widespread challenges while club financial position tops the list as the highest priority.

Top Maintenance Capital Expenditure Challenges



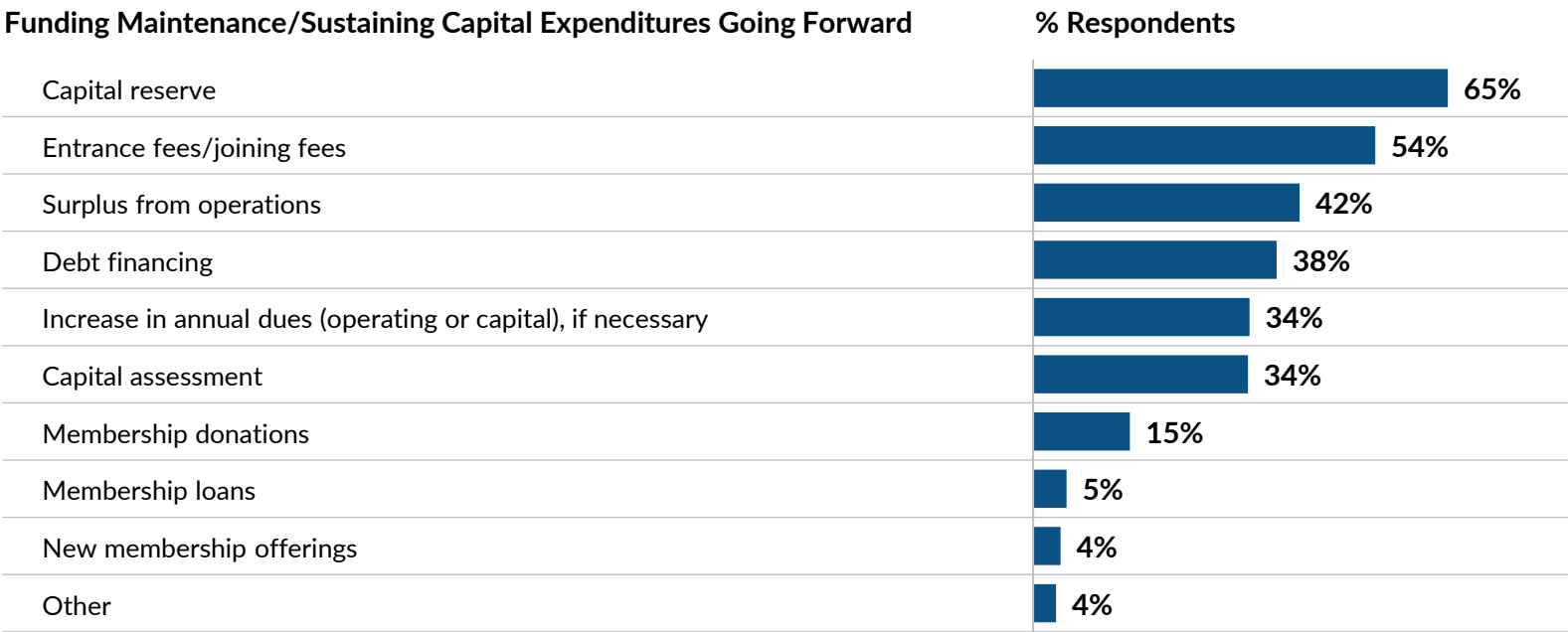
Other challenges reported by participants¹ include: equipment repair needed due to lack of use rather than overuse, competing requirements or misalignment of maintenance priorities, revisiting master plans to determine if they should be altered for a post-pandemic world, and increased demands on committees responsible for advising on finance and capital reserve.

¹ Answered by club leaders who submitted other maintenance capital expenditure challenges (8% of respondents, n=35).
Note: Percentages do not total 100 percent due to multiple selection options. Respondents asked to select items from a list then rank those selected with "1" being the highest priority.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.



Capital reserve & entrance/joining fees are primary funding mechanisms for capital maintenance expenditures

Going forward, two-thirds of club leaders are planning to fund capital maintenance (sustaining) expenditures using capital reserves while more than half plan to rely on the entrance fees and joining fees of new members. Over forty percent are planning to fund via surplus from operations.



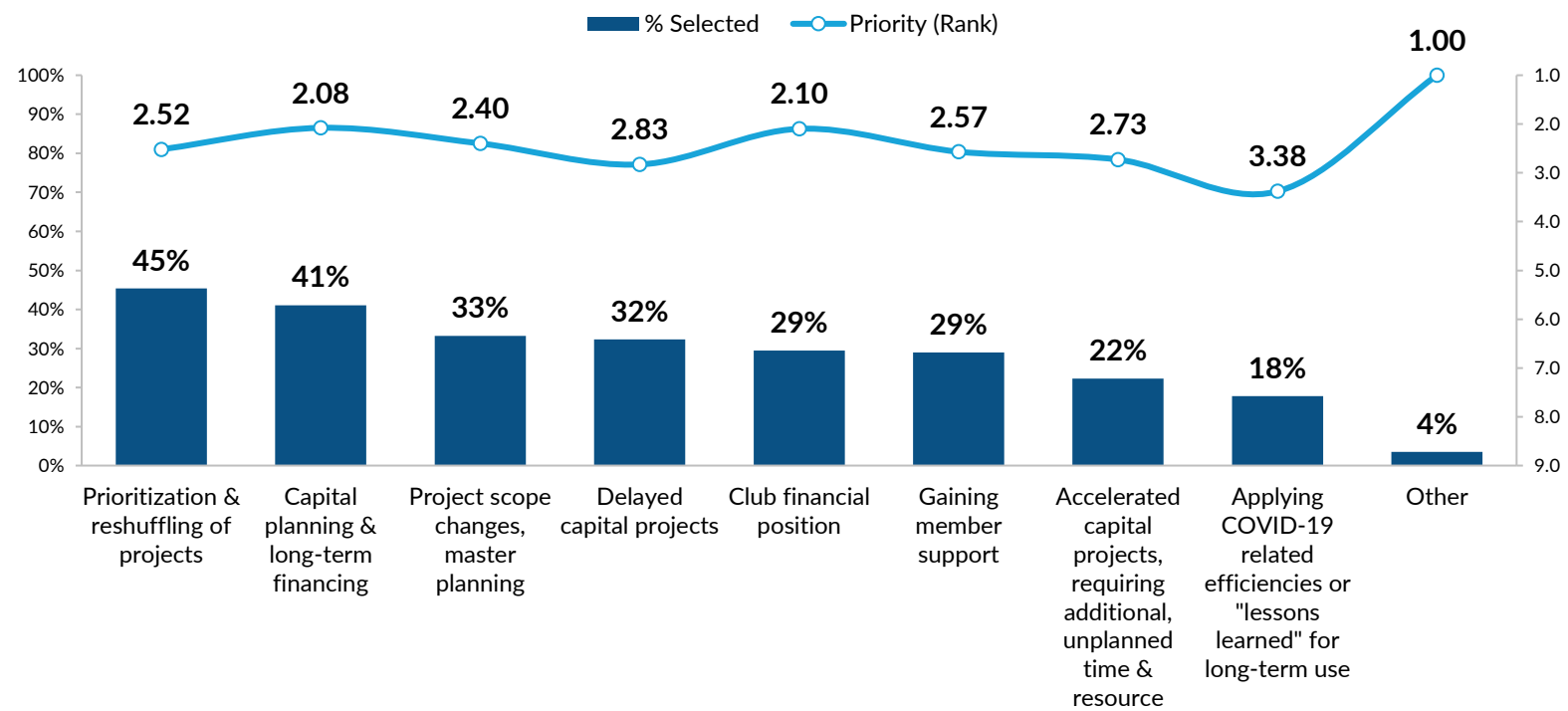
Note: Percentages do not total 100 percent due to multiple selection options.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.



Prioritizing, reshuffling, arranging long-term financing are top capital improvement/growth project challenges

Within the context of capital improvement and growth projects, the prioritization and reshuffling of projects is again the most commonly cited challenge while arranging for long-term financing and the club's financial position rank as the top priorities.

Top Capital Improvement/Growth Projects Challenges

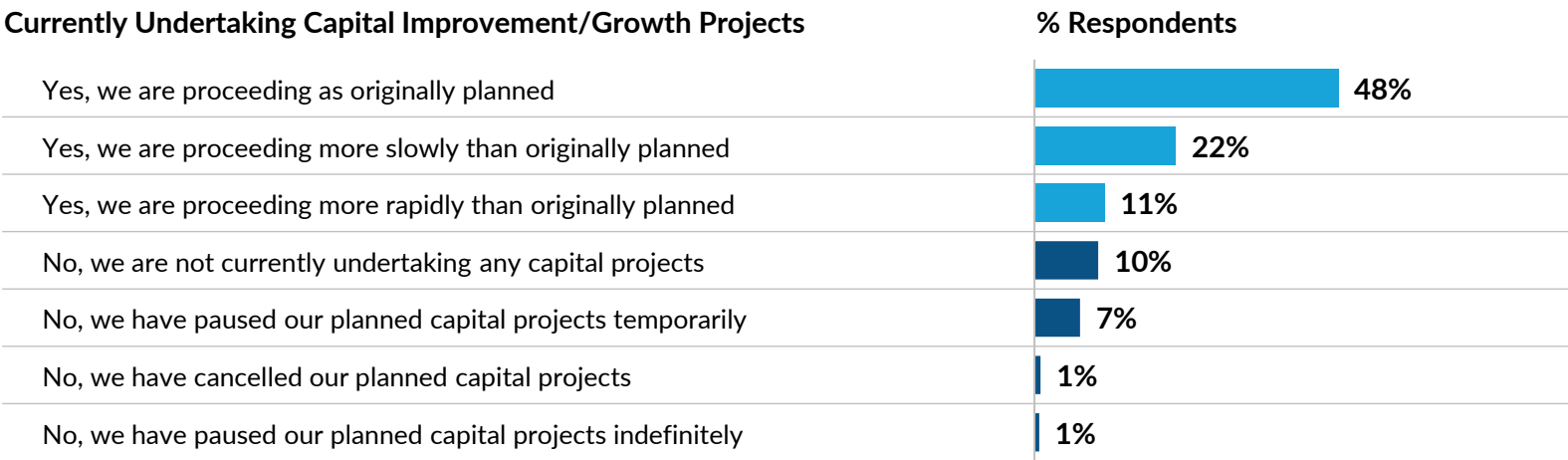


Note: Percentages do not total 100 percent due to multiple selection options. Respondents asked to select items from a list then rank those selected with "1" being the highest priority.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

Capital improvement challenges relate to prioritizing & funding growth projects rather than pandemic-related timing.

Most capital improvement/growth projects proceeding as planned, some on altered timelines & very few halted

Four out of five participating leaders (81%) say their club is currently undertaking capital improvement/growth projects and most are proceeding as planned. Just one-third are proceeding with timeline changes and only 9% have paused or cancelled their planned projects.



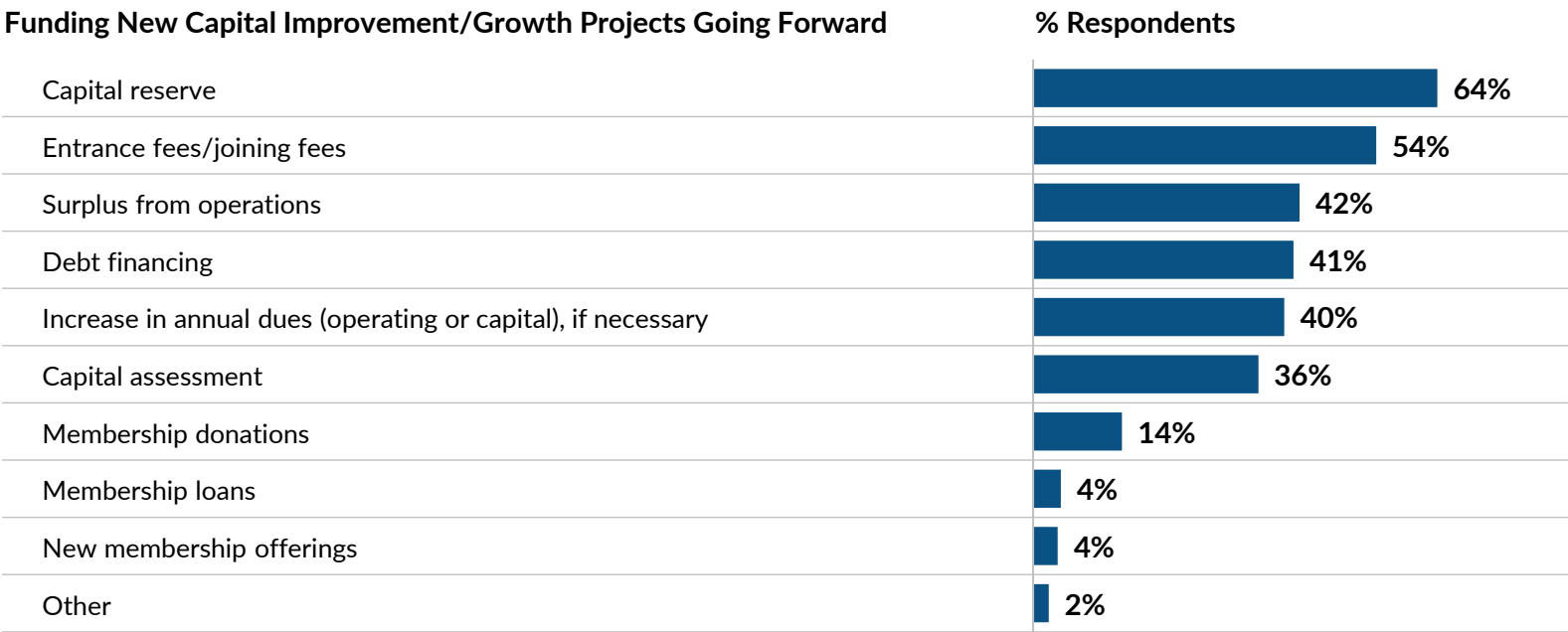
The most commonly reported¹ types of capital projects currently underway include: golf course renovations (bunker renovations, irrigation replacements, greens), clubhouse infrastructure renovations and restorations (furniture, kitchens, sewage, locker rooms, banquet/ballroom remodels, deferred maintenance), clubhouse master planning, fitness/sports/athletics complex renovations or additions, expanded racquet sports facilities, new pro shops for golf and tennis, aquatics/pool resurfacing and renovations, constructing new patios and additional outdoor dining, expanded bar facilities, dock replacement/repair and lake/pond dredging, additional golf instruction and indoor simulators, upgrading technological infrastructure and software.

¹ Answered by club leaders who are currently undertaking capital improvement/growth projects (81% of respondents, n=339).
Note: Percentages do not total 100 percent due to rounding.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

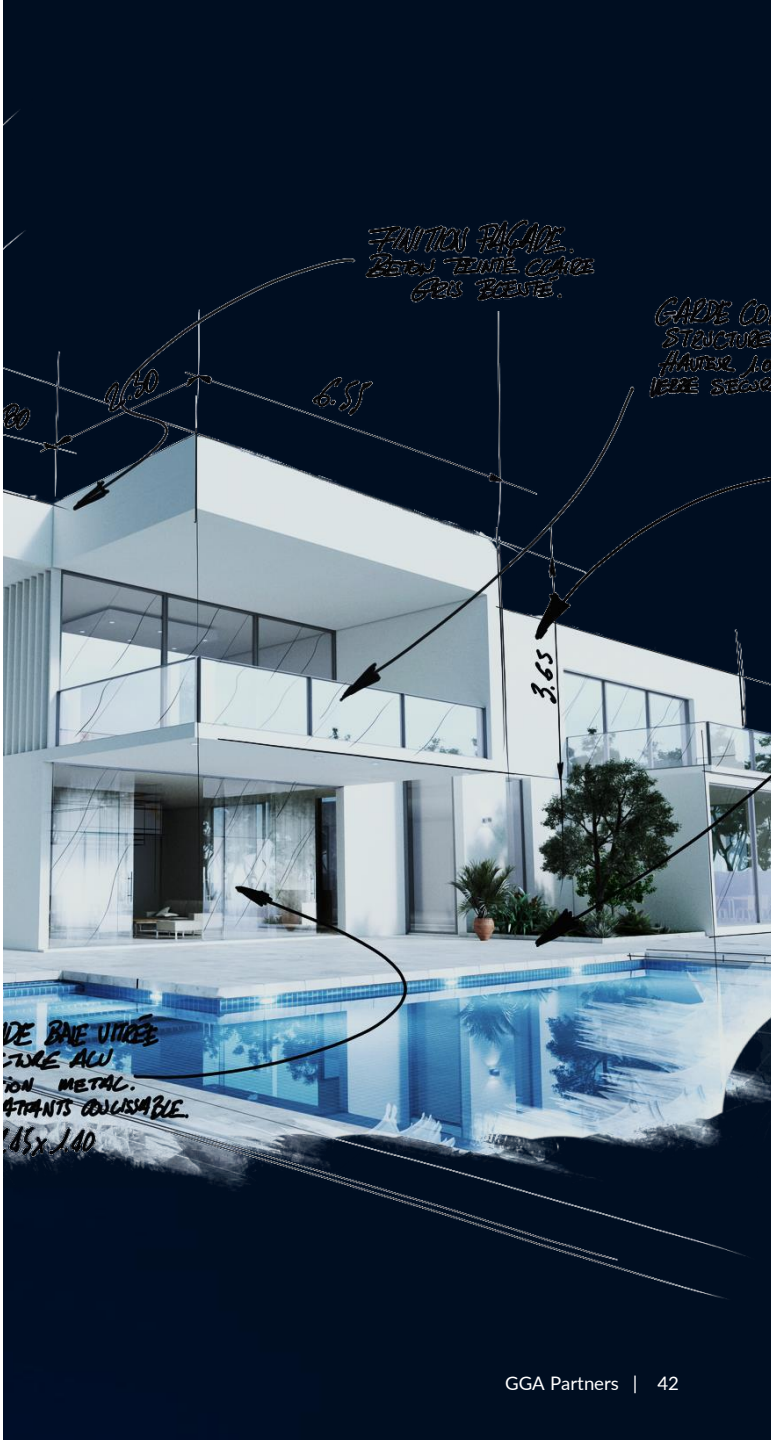
Improvement & growth projects may be delayed, but most have not been halted. Only 9% of club leaders indicate having paused or cancelled planned capital projects.

Capital reserve & entrance/joining fees also primary funding mechanisms for improvement/growth projects

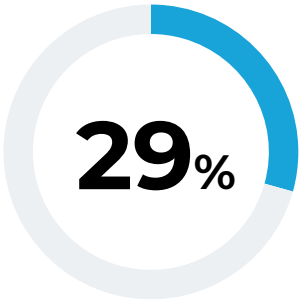
Going forward, two-thirds of club leaders are planning to fund new capital improvement/growth projects using capital reserves while more than half plan to rely on the entrance fees and joining fees of new members – virtually unchanged relative to capital maintenance expenditures.



Note: Percentages do not total 100 percent due to multiple selection options.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.



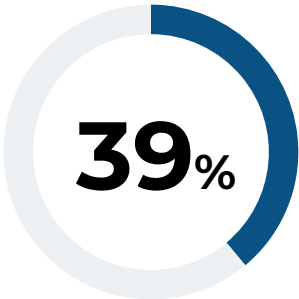
Pandemic has accelerated some smaller improvement projects & spurred rethinking of clubhouse space



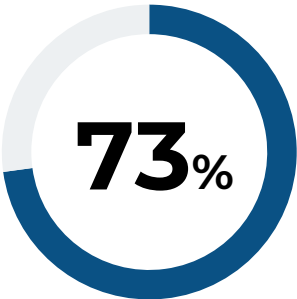
Three in ten leaders say their club used closures related to COVID-19 – and/or anticipated decreases in club utilization – as an opportunity to complete capital improvement/growth projects their club otherwise may not have prioritized.

The most commonly reported¹ types of opportunistic improvement projects include: basic deferred maintenance, asbestos abatement, kitchen modernization, minor clubhouse interior touch-ups/renovations (painting, flooring, carpeting), exterior replacements (parking lot, roofing, drainage, HVAC), fitness center remodel, expanded outdoor dining, driving range/practice facility renovation, aquatics/pool infrastructure.

Knowing that working from home will likely remain more prevalent following the pandemic, almost forty percent of leaders report their club is rethinking the use of its clubhouse space. Among those which are, three-quarters are considering offering a business center or meeting rooms with enhanced technology.



of leaders say their club is rethinking the use of clubhouse space due to work-from-home



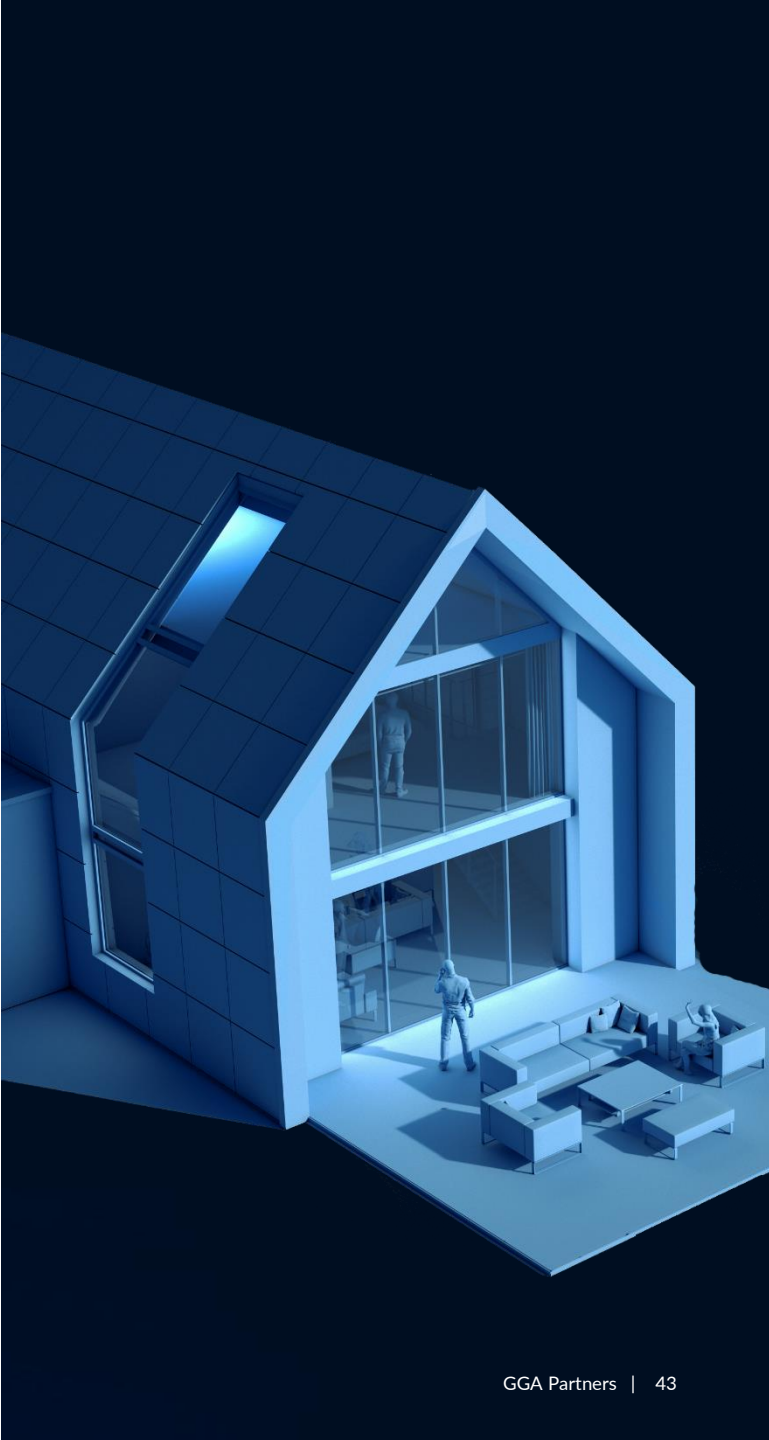
of those rethinking space² are considering a business center or meeting rooms with enhanced technology

¹ Answered by club leaders who used pandemic-related closures to advance capital improvement projects (29% of respondents, n=122). It should be noted that the most commonly reported opportunistic improvement projects submitted by respondents predominantly relate to capital maintenance and repair projects and not capital improvement/growth projects, potentially a misinterpretation of the question by respondents.

² Answered by club leaders rethinking the use of clubhouse space (39% of respondents, n=162).

Note: Percentages may not total 100 percent due to rounding.

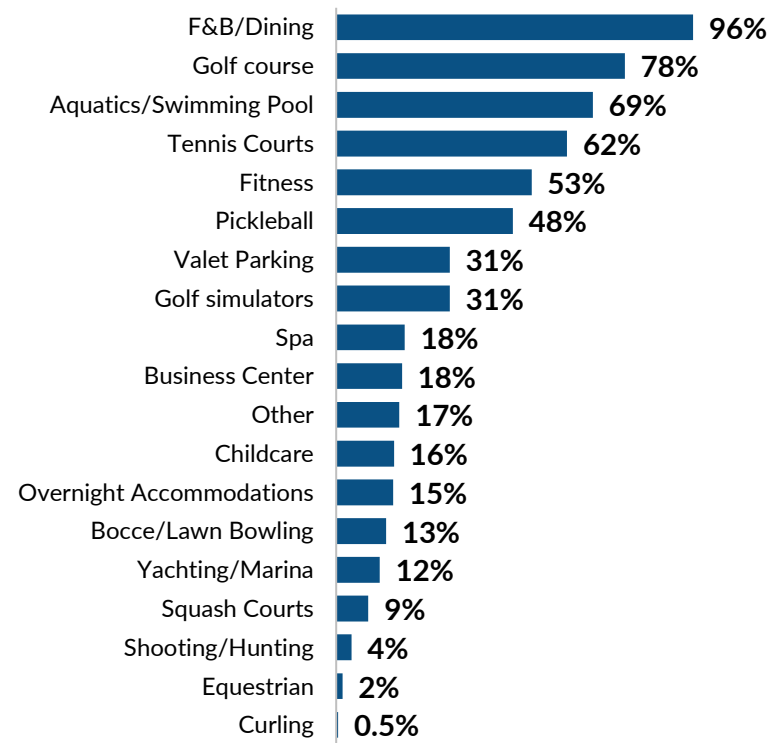
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.



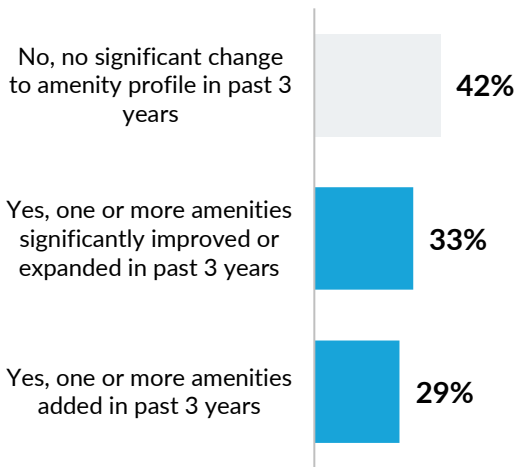
More than half of clubs have added, significantly improved, or enhanced amenities in the past 3 years

Of the amenities currently offered by their club, over half of leaders report that one or more amenities were added, significantly improved, or enhanced in the past three years. Just over forty percent say there has been no significant change to their amenity profile.

Amenities Currently Available at Club



Amenities Added, Improved, or Expanded in Past 3 Years



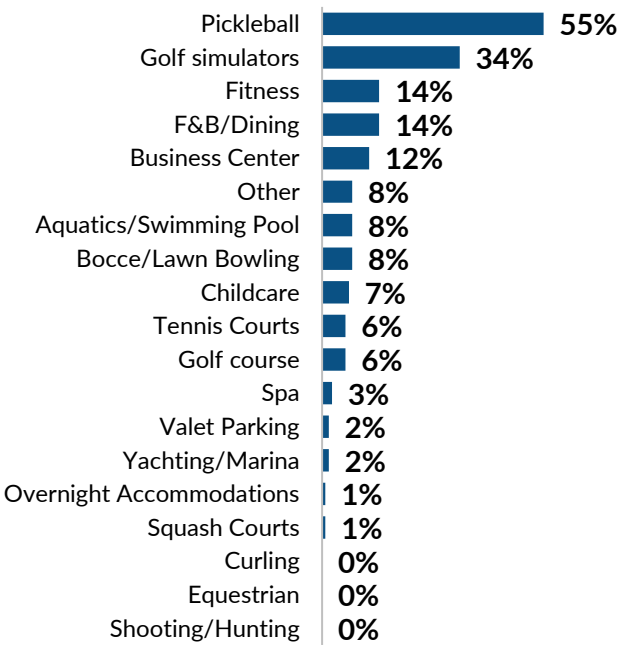
Long-range improvement strategies seek to balance enhancement of existing assets with new additions.

Note: Percentages do not total 100 percent due to multiple selection options.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

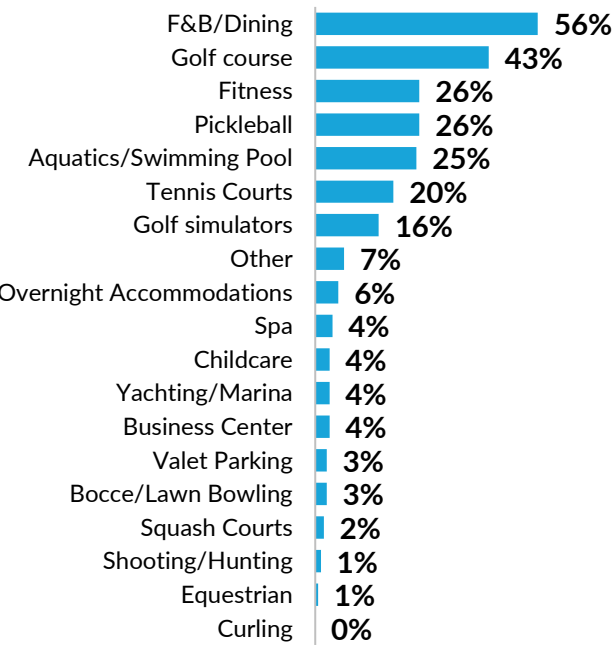
In recent years, new amenity additions have focused on pickleball & golf simulators while significant improvements have focused on dining & golf course enhancement

Over the past three years, roughly between Jan. 2018 and Jan. 2021, pickleball and golf simulators have been the most commonly added amenities at participating clubs while significant improvements or expansions of existing amenities have focused primarily on F&B/dining and the golf course.

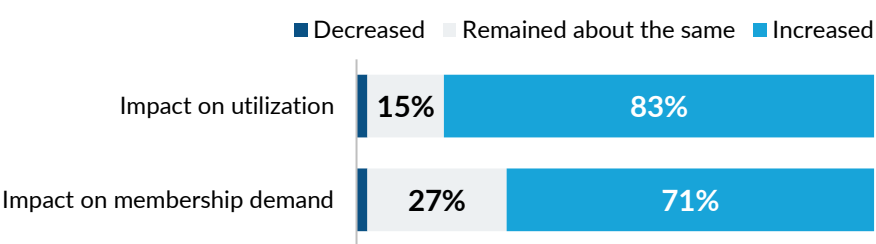
Amenities Added in Past 3 Years¹



Amenities Improved/Expanded in Past 3 Years²



Impact of Projects on Membership Demand & Utilization³



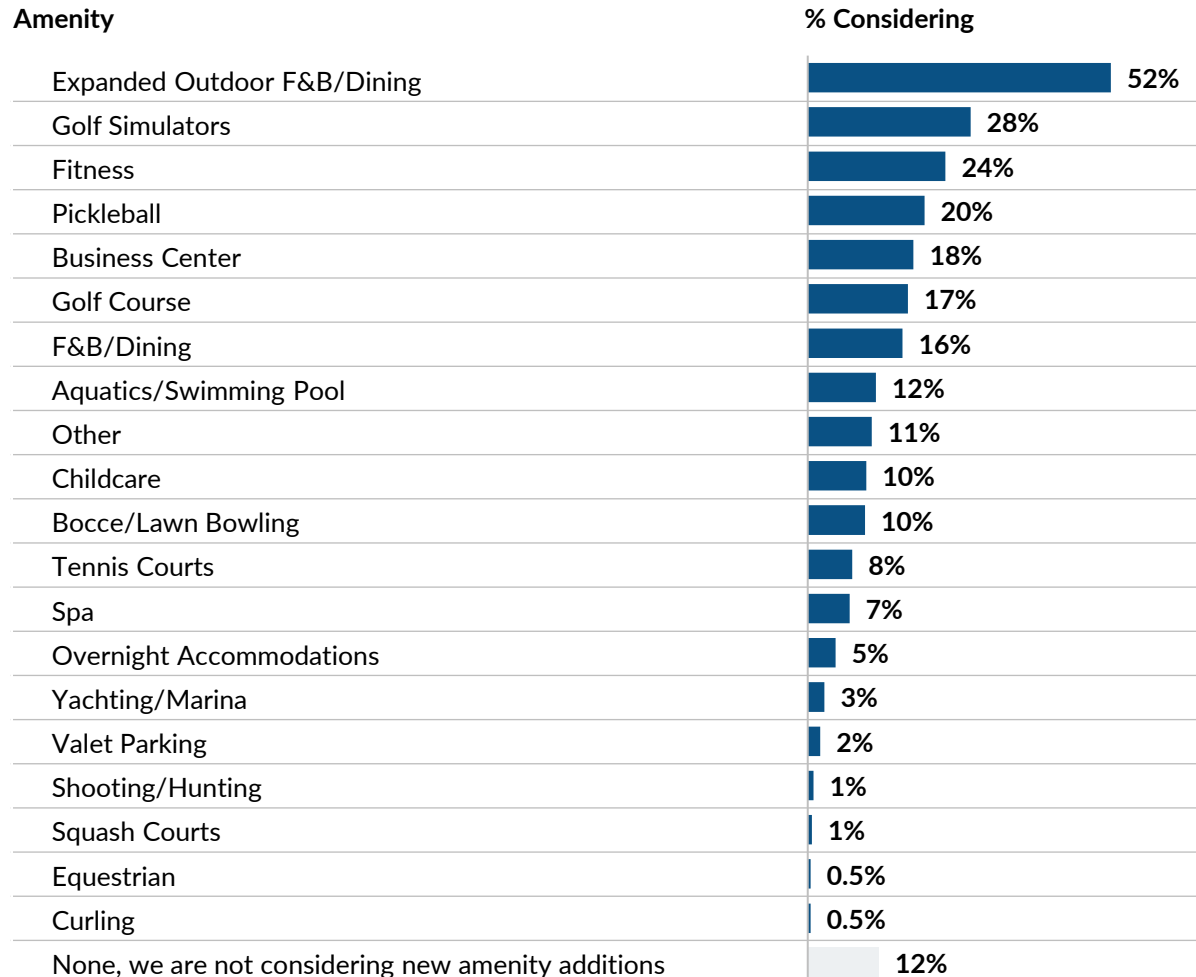
When asked about the impact these capital projects have had, more than four in five leaders say the projects have increased club utilization while roughly seventy percent believe they have increased demand for membership. While a handful report no significant impact one way or the other, only 2% indicate their projects decreased utilization or membership demand.

Amenities significantly improved or expanded which have yielded the greatest indication of increased utilization and membership demand: (1) F&B Dining, (2) Golf Course, (3) Aquatics/Swimming Pool.

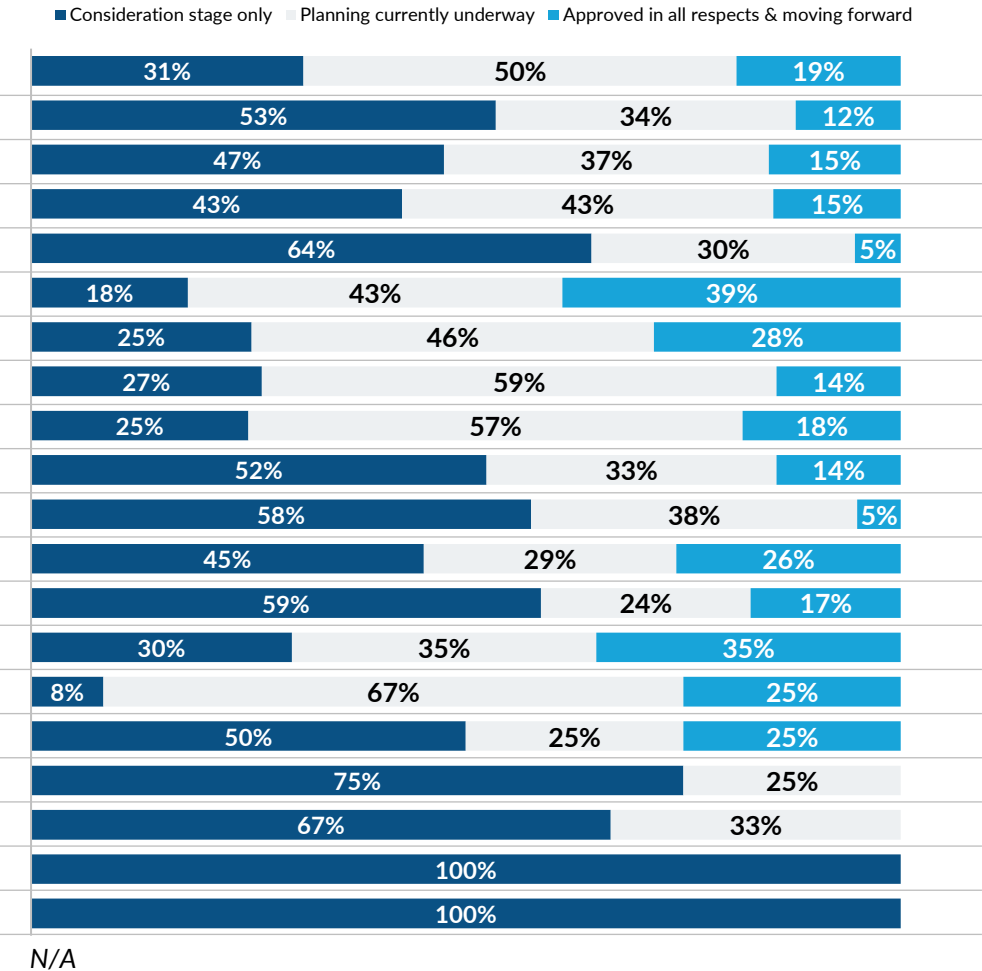
¹ Answered by leaders whose club has added one or more amenities in the past 3 years (29% of respondents, n=119).
² Answered by leaders whose club has improved or expanded one or more amenities in the past 3 years (33% of respondents, n=138).
³ Answered by leaders whose club has added, improved, or expanded one or more amenities in the past 3 years (57% of overall respondents, n=240).
Note: Percentages may not total 100 percent due to rounding or multiple selection options.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

Within the next 3 years, expanded outdoor dining is the top new amenity addition clubs are considering; golf course additions farthest along in considerations

New Amenity Additions Being Considered Within Next 3 Years



Current Status of Considerations¹



¹ Answered by leaders whose club is considering the specific amenity summarized in % Considering (base n=416).

Note: Percentages may not total 100 percent due to rounding or multiple selection options.

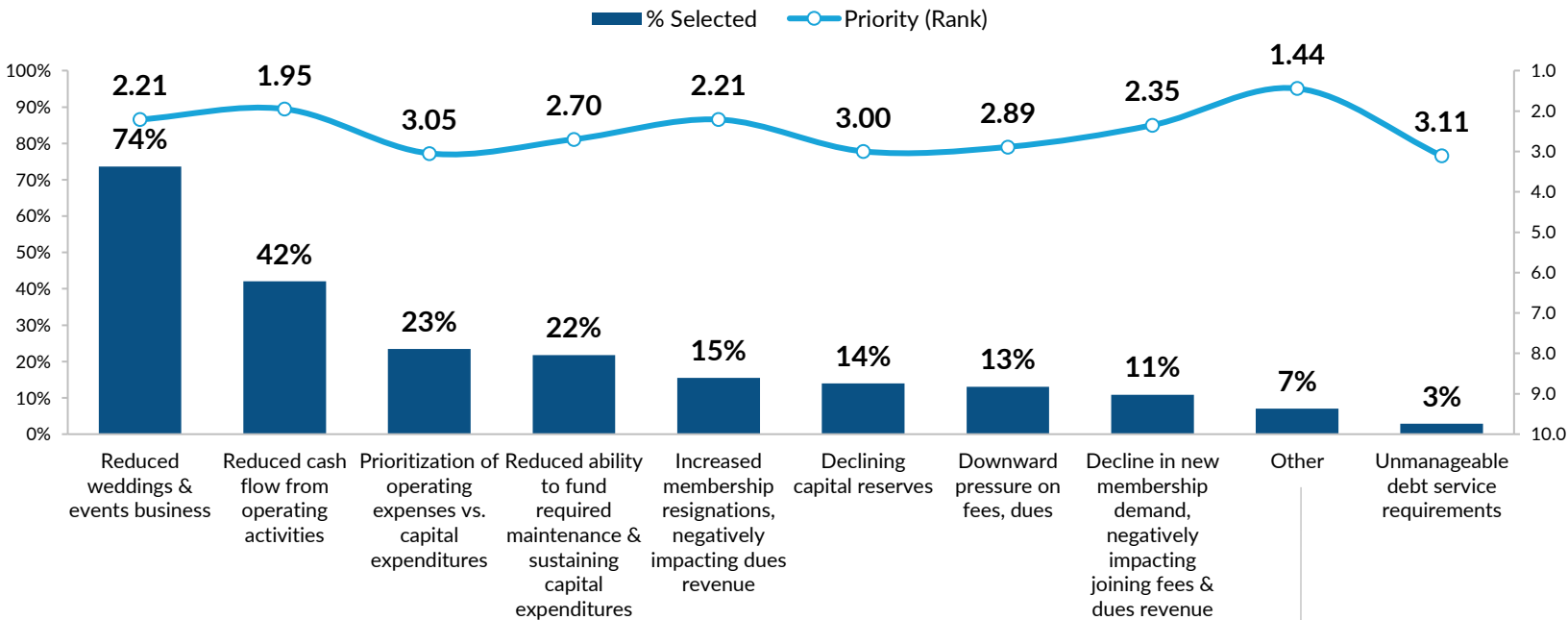
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

Financial Position, Budgeting & Forecasting

Reduced weddings/events business & cash flow from operating activities are top financial challenges

Reduced weddings and events business is the most commonly cited financial challenge according to three quarters of participating club leaders. Despite being identified by less than half of respondents, reduced cash flow from operating activities ranked highly on the basis of priority.

Top Financial Challenges



Other challenges reported by participants¹ include: decreased club utilization and member traffic, expediting and processing new membership applications while demand is high, decline in accommodations revenue, increased utilization at lower dues rates for junior categories, prioritizing capital projects, pressure on member willingness for dues increases.

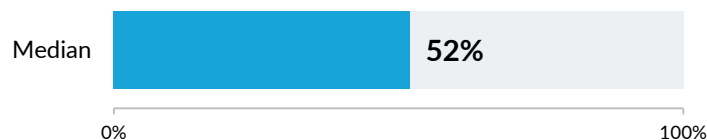
¹ Answered by club leaders who submitted other financial challenges (7% of respondents, n=29).
Note: Percentages do not total 100 percent due to multiple selection options. Respondents asked to select items from a list then rank those selected with "1" being the highest priority.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.



Dues revenue as a percentage of total revenue expected to increase in 2021 & stabilize in the “new normal”

Over the last three fiscal years, the median dues revenue as a percentage of total revenue has been 52%, yet club leaders expect it to climb to 61% this year as a result of the pandemic and project it to settle at 55% in the “new normal”.

Dues Revenue as % of Total Revenue¹
Last 3 Fiscal Years (Pre-COVID-19)



Dues Revenue as % of Total Revenue
Expected This Year (as Result of COVID-19)



Dues Revenue as % of Total Revenue
Expected in the "New Normal"



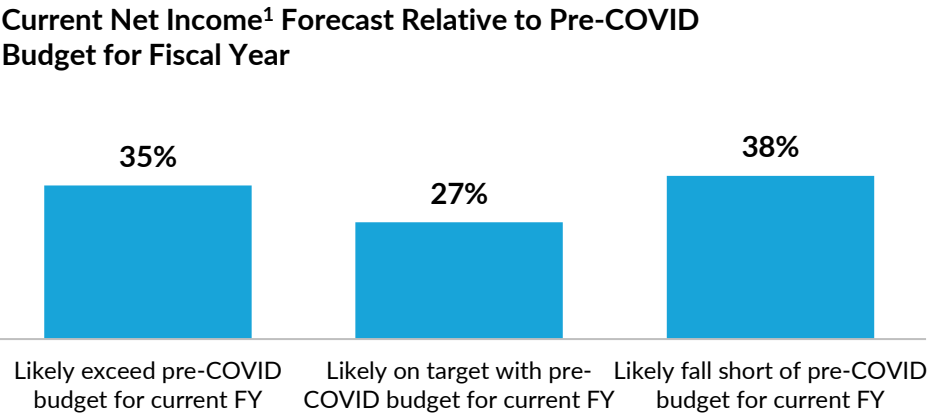
With the pandemic impacting guest access, non-member revenue, & events, dues revenue is expected to increase 9% to 61% of total revenue on median.

¹ Response capture utilized a sliding scale of consecutive percentages ranging from 0-100% for dues revenue as % of total revenue.
Note: Percentages may not total 100 percent due to rounding.
Source: GGA Partners A Club Leader's Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

Based on current forecasts, 62% of leaders believe their club’s net income will meet or exceed pre-COVID budgets

Club leaders reported their expectations of net income performance relative to their “pre-COVID” fiscal year budgets.

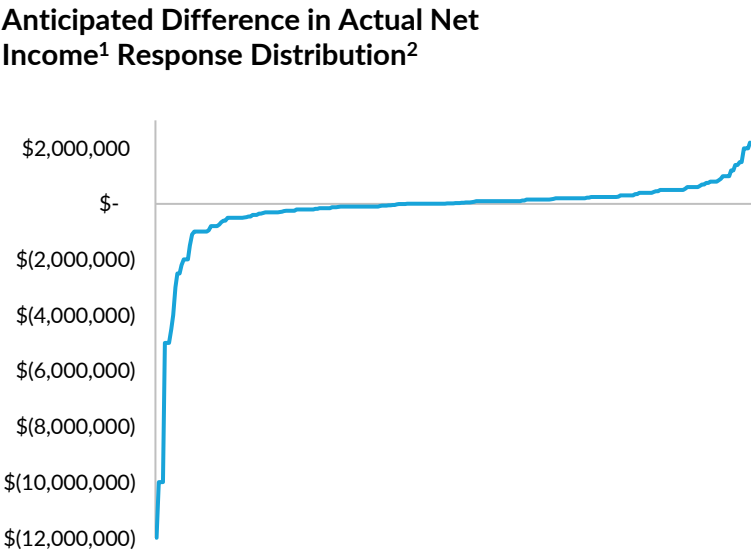
Based on current forecasts, 35% of respondents believe their net income will likely exceed their pre-COVID budget for the current fiscal year. However, 38% expect it to fall short and 27% anticipate being on target.



The median anticipated difference between actual net income and pre-COVID budgeted net income for the current fiscal year is approximately \$20,000.

Anticipated Difference in Actual Net Income¹ from Pre-COVID Budgeted Net Income in the Current Fiscal Year

\$20,000
Median



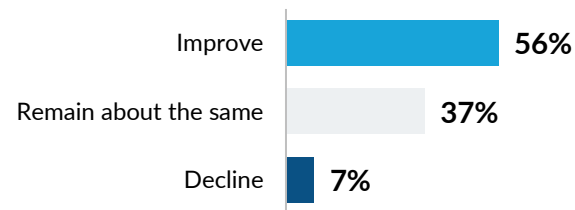
¹ The term “Net Income” should be read as synonymous with “Net Change in Assets” for non-profit clubs.
² Displays individual responses from leaders who believe their club’s actual net income will differ from pre-COVID budget (71% of respondents, n=285).
Note: Percentages may not total 100 percent due to rounding.
Source: GGA Partners A Club Leader’s Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.



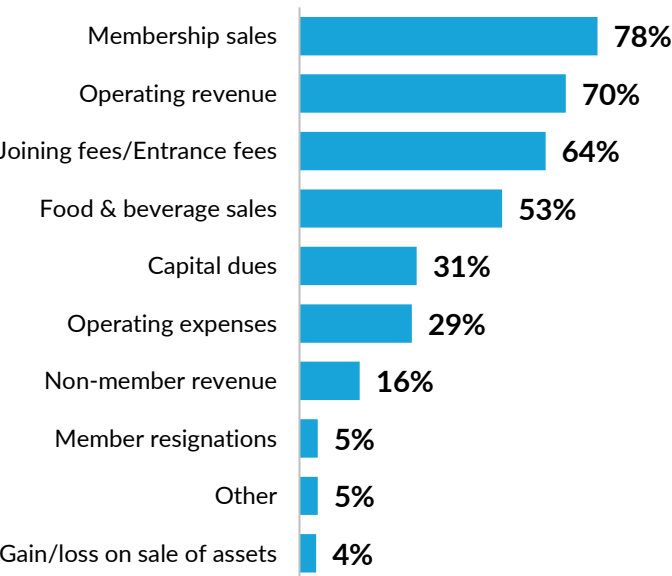
Leaders expect their club’s general financial position to improve over the next 2 years, an outlook driven by membership sales, operating revenue & joining fees

Over the next two years, roughly between Jan. 2021 and Jan. 2023, more than nine in ten leaders believe their club’s general financial position will either remain the same or improve, with well over half expecting improvement.

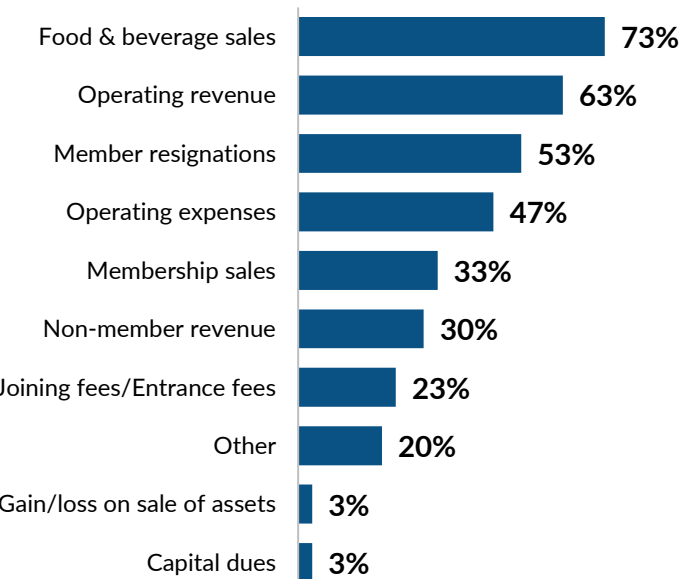
Expected Change in Financial Position
Next 2 Years



Expected Change in Financial Position
Reasons for Improvement¹



Expected Change in Financial Position
Reasons for Decline²



Club leaders who are bullish about an improved financial position primarily attribute this stance to increased membership sales (and therefore dues) as well as increased operating revenue and joining/entrance fees. Those expecting a deterioration in financial position attribute their outlook to declining food and beverage sales, less operating revenue, and member resignations.

¹ Answered by leaders expecting their club’s general financial position to improve over the next 2 years (56% of respondents, n=228).

² Answered by leaders expecting their club’s general financial position to decline over the next 2 years (7% of respondents, n=30).

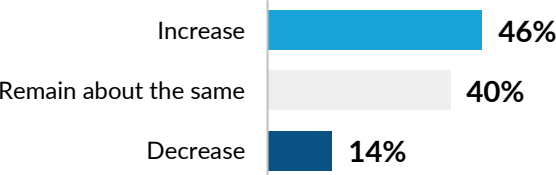
Note: Percentages may not total 100 percent due to rounding or multiple selection options.

Source: GGA Partners A Club Leader’s Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

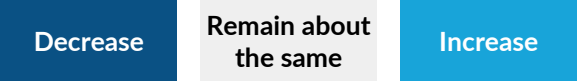
Cash, cash equivalent, capital reserve balance expected to increase or remain the same over the next 2 years

Looking ahead, sixty percent of club leaders expect their club’s cash, cash equivalent, and capital reserve balance to change over the next two years. Nearly half are anticipating an increase while 14% foresee a decrease.

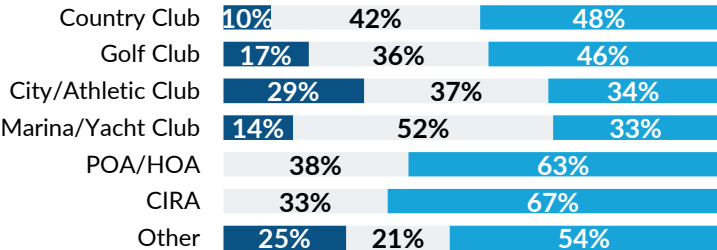
Expected Change in Cash, Cash Equivalent, Capital Reserve Balance Next 2 Years



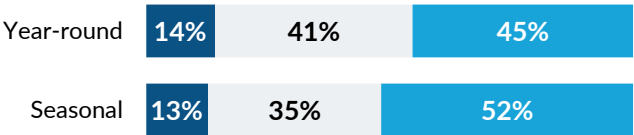
Legend



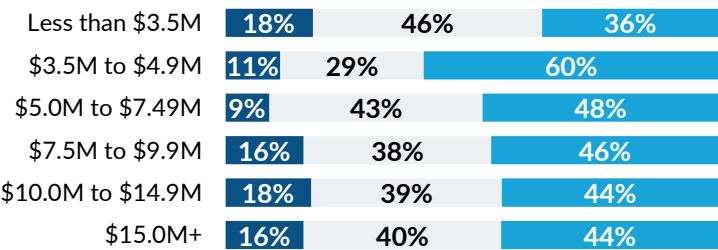
By Club Type



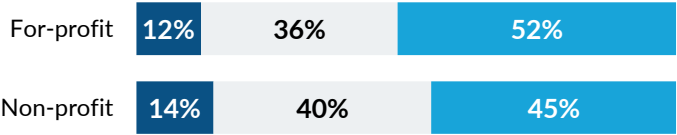
By Club Seasonality



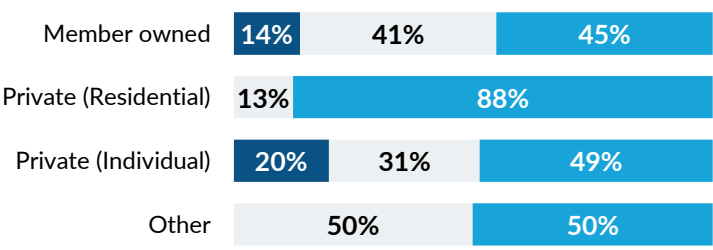
By Total Operating Revenue



By Organizational Status



By Ownership



Note: Percentages may not total 100 percent due to rounding.
Source: GGA Partners A Club Leader’s Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

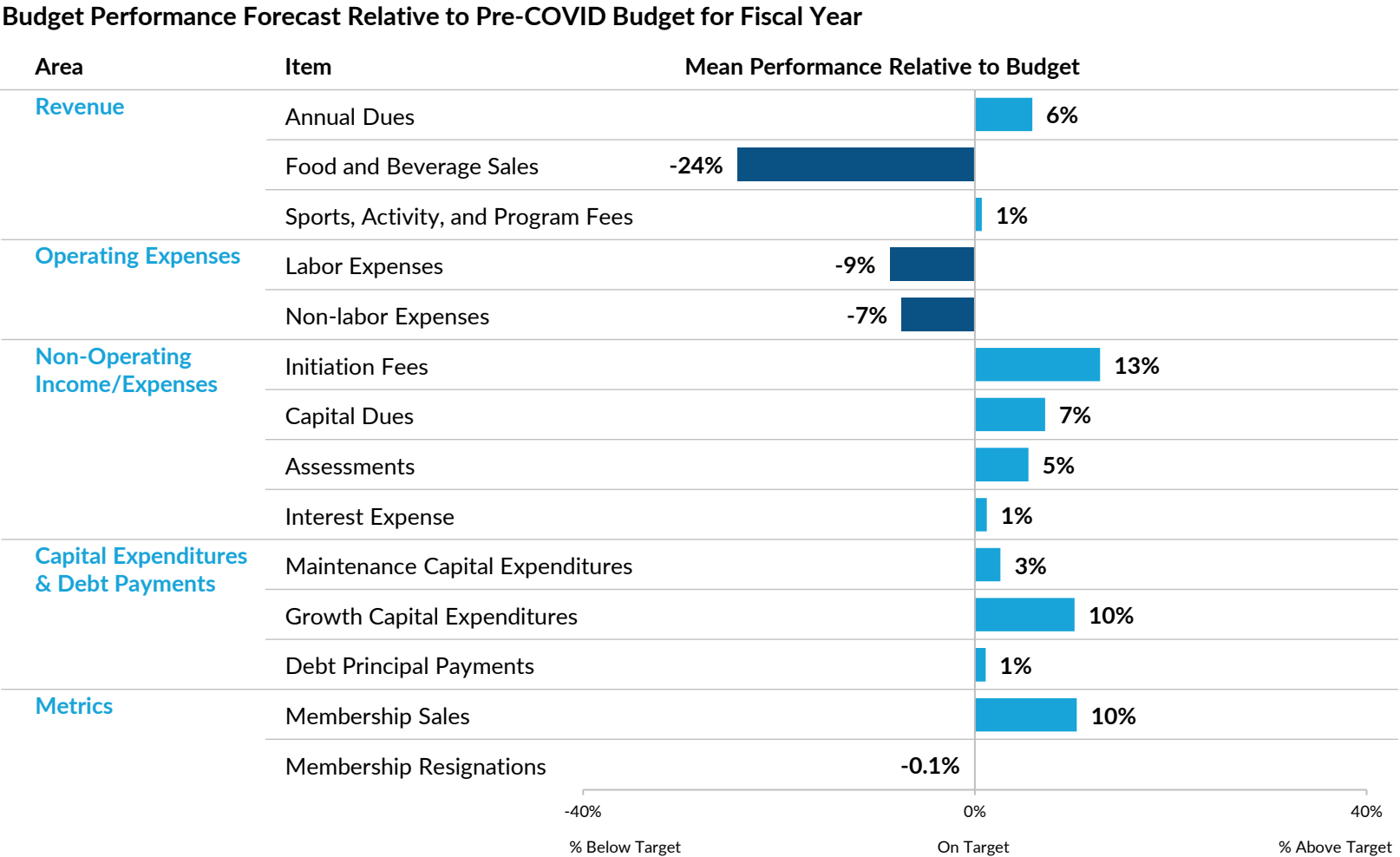
Based on current forecasts, leaders anticipate actual performance results to exceed pre-COVID budgets in most areas, shortfalls in F&B sales & operating expenses

Based on current forecasts, this exhibit summarizes how leaders anticipate actual results in each area to vary compared to their “pre-COVID” fiscal year budgets.

In terms of budget performance, the top areas expected to fall short include food and beverage sales and operating expenses.

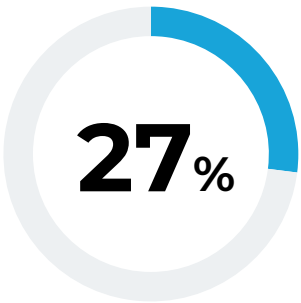
Areas where club leaders expect to land on target relate to sports, activity, and program fees, interest expense, debt principal payments, and membership resignations.

The top areas expected to exceed budgets are initiation fees, growth capital expenditures, and membership sales.



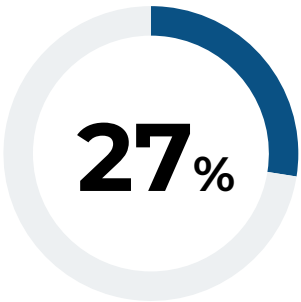
¹ Answered by leaders whose club is considering the specific amenity summarized in % Considering (base n=416).
Note: Percentages may not total 100 percent due to rounding or multiple selection options.
Source: GGA Partners A Club Leader’s Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

One in four clubs have explored changes to operating structure or debt restructuring during pandemic

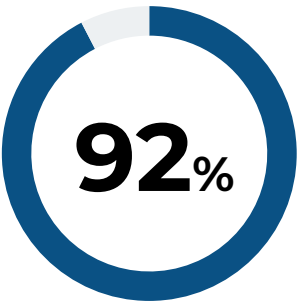


More than one-quarter of leaders report that their club has considered a change in operating structure post-COVID-19.

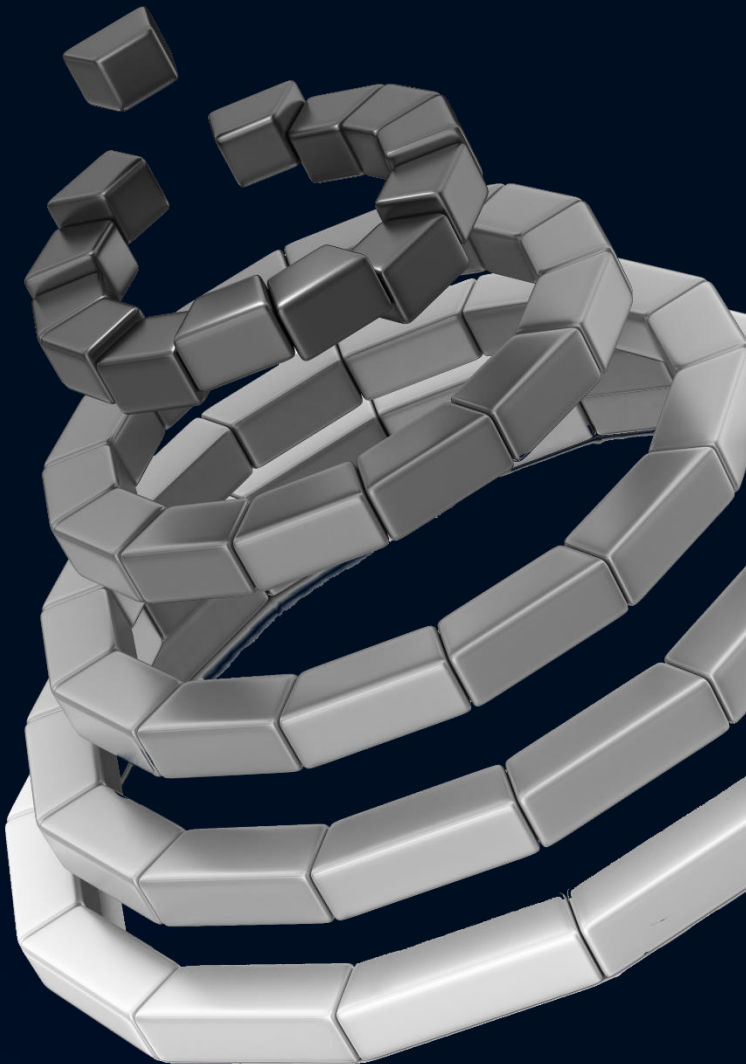
The most commonly reported¹ operating structure changes include: adding management personnel or positions (Assistant GM, Membership Marketing Director, HR Director, elevating role experience from “manager” to “director” level), consolidating department leadership or reducing management positions, increasing staff for high-demand amenities, reducing administrative staffing and expenses, adjusting hours of operation to mirror utilization, becoming less reliant on F&B surplus, reducing or eliminating banquets/outside events in favor of increased member events, extending operating season, expanding take-out and outdoor dining programs, reducing indoor dining, and restructuring or reorganizing F&B department/clubhouse team.



of leaders say their club has considered debt restructuring or refinancing options during the pandemic



of those considering² say their club’s financial institution(s) have been receptive to debt restructuring or refinancing



¹ Answered by leaders whose club has considered a change in operating structure post-pandemic (27% of respondents, n=108).
² Answered by leaders whose club has considered debt restructuring/refinancing (27% of respondents, n=94).
Source: GGA Partners A Club Leader’s Perspective: Emerging Trends & Challenges Survey, Dec 2020-Feb 2021.

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A Club Leader's Perspective:

**EMERGING TRENDS
& CHALLENGES**

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