GGA Partners
Insight | Strategy | Success

A Club Leader's Perspective

Emerging Trends and Opportunities For 2023

A 2023 update on pressing needs in club management.
238 club leaders weigh-in on emerging trends, challenges and needs heading into the year 2023.

In collaboration with CMAA

CLUB MANAGEMENT ASSOCIATION OF AMERICA

Putting Change Into Perspective

In May 2020, GGA Partners launched its ‘Perspective’ research initiative. Published in July 2020, the first installment was A Member’s Perspective: The Shifting Private Club Landscape.

At the end of 2020, GGA Partners partnered with CMAA Research to administer a new survey, A Club Leader’s Perspective: Emerging Trends & Challenges.

This report, ‘A Club Leader’s Perspective: Emerging Trends and Opportunities,’ marks the third edition of the initiative. The survey explores similar themes to investigate the perspective of club leaders on the current challenges and opportunities facing the industry.

This report represents a summary of the survey results, with additional relevant insights for club managers heading into the year 2023.

CLUB MANAGEMENT ASSOCIATION OF AMERICA

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 longstanding CMAA Business Partner.

Table of Contents

Executive Summary

Industry Strength

The outlook for the club industry remains strong. Membership demand continues to drive up member counts and waitlists, which dominoes into entrance fee increases. Members are joining clubs at a younger average age and these generations are also exhibiting an uptick in utilization. This favorable era of demand also incites challenges of managing amenity capacity and utilization, though the results suggest clubs are improving in their ability to optimize member capacities.

Challenges Persist

The ongoing difficulties in human resources continue to be prevalent, especially concerning people-intensive departments that are impacted by the growth of wages. Club leaders anticipate another year of high inflation-impacted expense budgets, though there is consistent agreement in the importance of matching these costs by aligning the increase in dues and other revenue levers – in other words, not sacrificing the desired member experience and service standard in the effort of cost savings.

Financial Health

Clubs have benefited from increased funding from traditional sources, and the operational health of clubs has allowed most to maintain service levels. Financial position has improved for many despite the inflationary and operational challenges, which has allowed clubs to maintain an aggressive and opportunistic outlook for capital investment over the next five years. Despite heightened caution of future financial risks (including the cost of borrowing), clubs remain committed to continuous improvement of the member experience through capital enhancement and operational excellence.

Executive Summary (1/2)

The economic outlook for the industry remains optimistic, but leaders are proactively planning for potential recessionary impacts.

76% of club leaders remain optimistic, down from 87% a year ago. Nearly three-in-four club leaders are proactively planning for potential recessionary impacts, most notably financial forecasting for multiple scenarios and capital planning adjustments.

Membership and waitlist growth continues as a favorable health indicator for the industry.

63% of clubs reported an increased membership count, even after 75% reported an increase a year ago. 62% of club leaders indicated they currently have a waitlist for members, up from 57% last year.

Clubs who measure capacity based on an adjustable philosophy are facing fewer capacity issues.

These clubs (34%) adjust their capacity annually or more frequently based on member usage, rather than a pre-determined ‘cap’ (i.e. stated bylaw). They were more likely to indicate that they still have member capacity available, and that their new member capacity should be higher than it currently is.

‘Over-capacity’ concerns with select amenities continues to be a challenge as a by-product of the membership growth trend.

Golf, practice facilities and paddle/pickleball generated the highest levels of concern, though capacity concerns with ‘short courses’ and golf simulators trended in the opposite direction.

Clubs are improving their appeal to the coveted Generation X (aged 42-57).

The average age of new members joining clubs in 2022 was indicated as being unanimously equal to or younger than previous year trends (for most clubs that age falls within Gen X). 46% of club leaders also indicated Gen X as the demographic that exhibited the greatest increase in utilization this past year.

Potential misalignment between ‘perceived’ member satisfaction and measured member satisfaction.

42% of responding club leaders surveyed their members in 2022, which is slightly higher than the 39% in 2021. Of that audience, 61% measured an overall increase in satisfaction, while 74% of the audience who did not measure satisfaction perceived an increase.

Expected annual dues and entrance fee growth remains well above historical industry norms.

The projected average dues increase in 2023 of 8.2% exceeds last year’s expected average increase of 6.2%, maintaining alignment with inflationary expectations for expense budgets. Expected entrance fee growth averaged 13.5%, lower than last year but understandable given the quantity of clubs that implemented a fee increase in 2022.

New technology adoption continues to improve, but still at a gradual pace.

Adoption continues to strengthen for top supported technologies including security cameras or security technology, F&B service automation (tablets or digital interfaces), golf-practice technology integration, and building/facility intelligence. One-in-four clubs also indicated ‘some interest’ in virtual reality technology, an emerging technology that we expect to have high potential to enhance unique member experiences in the future.

Expectations for food and beverage profitability in 2023 remain uncertain.

Club leaders' expectations for profitability in 2023 varied greatly, but overall skews slightly towards a greater loss (or less of a profit) in 2023, compared to 2022. Labor and food costs continue to be the primary concern for those expecting a greater financial loss.

Executive Summary (2/2)

2023 departmental expense budgets projected for high inflationary increases similar to 2022.

On average, increases to payroll expenses (7.3%) are expected to outpace non-payroll expenses (6.2%), both at a slight increase over last year. F&B is still projected to be a highly impacted department for inflationary growth in expenses but is notably projected to increase at a lower growth rate than last year (8.3% down from 10.2%).

Compensation incentives and flexible scheduling continue to be the most utilized and generally effective tactics to retain staff.

More time off, increased communication effectiveness and additional responsibility/promotions were tactics indicated as relatively effective but not heavily utilized.

Clubs are committed to increasing fees/revenues to match inflationary impacts and personnel costs, but most will also be proactive in evaluating potential adjustments to amenities/services to help mitigate the challenge.

88% support this overall philosophy, but only 39% indicated that they 'do not plan on making any changes' to amenities/services in addressing personnel cost impacts.

Adoption of employee surveys continues to grow, and clubs that solicit employee feedback noted stronger retention effectiveness.

54% of responding club leaders surveyed employees in 2022 (up from 46% last year). Those clubs showed generally higher usage of retention methods aside from increased wages, and slightly higher effectiveness with those retention methods.

After notable human resources challenges were reported by most clubs a year-ago, 66% still indicate 'new and significant' HR challenges.

The challenge for seasonal clubs was more pronounced than year-round clubs. 'Rising labor costs' remains the top financial risk for clubs over the next 18 months, increasing from 87% to 92% support.

Clubs show a willingness to measure diversity, equity and inclusion (DE&I) metrics, but are less likely to have a formal strategy or allocated resources.

Higher revenue clubs (with more resources available) were more active on DE&I initiatives and in formally allocating resources.

Clubs maintain an 'aggressive' appetite for capital investment, comparable to last year, likely aided by increased capital funding sources.

The majority of primary funding sources increased in usage this past year (including entrance fees, capital dues and assessments), a favorable indicator of financial health. Clubs are understandably cautious with their expected use of external debt funding, but only slightly more conservative than the outlook last year.

Paddle/pickleball continues trending upwards as an expected area of capital investment (33% up from 20%), while golf improvements level off.

Golf course improvements were highly popular in 2022, and as a result the percentage of 'expected major projects' over the next five years has leveled off. Golf course, practice facilities, and indoor and outdoor dining projects all received similar levels of support for future plans (39%-44% support).

Table of Contents

About the Respondents

Responding club leaders were more experienced in this edition of the survey, as the average age and tenure of respondents both showed slight increases from last year and respondents were more likely to be the head of their club.

Position at Club

- **86%** General Manager (GM, CEO, COO)
- **9%** Dept Manager
- **5%** Board/Committee Member

Current Job Role

- **88%** Head of Club
- **4%** Clubhouse Manager / Assistant Manager
- **1%** F&B Manager / F&B Director / Chef
- **7%** Other (CFO / Controller, Membership / Marketing)

Tenure in Current Role

- **Avg. 8.0 years**
- **34%** 3 years or less
- **41%** 4 – 10 years
- **26%** 11 years or more

Gender

- **88%** Male
- **12%** Female

Age Category

- **Avg. 54.4 years**
- **9%** Under 40 years
- **78%** 40 – 64 years
- **13%** 65 years or older

About Their Clubs

Responding clubs were predominantly year-round, non-profit clubs owned by members. The average total operating revenue for responding clubs increased from $9.5M last year to $12.1M this year, while representation from City/Athletic and Marina/Yacht Clubs increased this year.

Club Seasonality

81%	Year-round
19%	Seasonal

Club Type

58%	Country Club
21%	Golf Club
8%	City / Athletic Club
6%	Marina / Yacht Club
3%	POA / HOA
1%	CIRA
4%	Other

Total Operating Revenue

Avg.	$12.1M
7%	Less than $3.5M
6%	$3.5M to $4.9M
21%	$5.0M to $7.49M
17%	$7.5M to $9.9M
26%	$10.0M to $14.9M
22%	$15.0M or more

Organizational Status

85%	Non-profit
15%	For-profit

Ownership Structure

90%	Member owned
7%	Privately owned (individual or group)
2%	Privately owned (residential developers)
1%	Other

About Their Clubs

There was a significant increase, compared to last year's report, in the proportion of responding clubs that offered swimming, racquet and fitness amenities to complement golf and dining.

Indoor Dining	**97%**
Outdoor Dining	**93%**
Regulation golf course	**81%**
Golf practice facility	**81%**
Swimming Pool	**75%**
Tennis	**70%**
Paddle/Pickleball	**63%**
Gym/Fitness Center	**63%**
Golf Simulator(s)	45%
Valet Parking	34%
Wellness Services	31%
Childcare	23%
Golf Practice Technology integrated into range	22%
Remote working/member office space	19%
Spa	19%
Water Sports	16%
Overnight Accommodations	15%
Other (please specify)	15%
Walking/Hiking/Biking Trails	14%
Winter Sports (cross-country skiing, hiking etc.)	13%
Yachting/Marina	13%
Non-regulation (i.e., short) golf course	9%
Squash Courts	6%
Shooting/Hunting	3%
Equestrian	1%
Curling	1%

Club Amenity Profile

Table of Contents

Industry Outlook

Human Resources, Capital Projects and Capacity/ Access challenges are top-of-mind heading into 2023.

Two-thirds of club leaders indicated that they are facing new and significant HR challenges.

Clubs are Facing New & Significant Challenges Related to:

- Human Resources (66% down from *77% last year*)
- Governance (25% same as previous year)
- Capital Projects (45% up from 40%)
- Finance (20% up from 18%)
- Capacity/Access (42%)
- Membership (16% up from 14%)
- Technology (36% up from 34%)

Seasonal clubs indicated that they were facing more significant challenges related to HR (29.4% 'strongly agree') compared to year-round clubs (16.4% 'strongly agree').

Club leaders remain generally optimistic about the economic outlook of the industry despite fear of a potential recession.

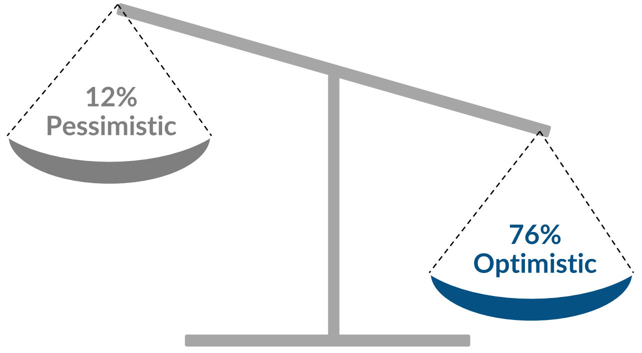
Club leaders who are optimistic about the economic outlook of the industry are less likely to be forming contingency plans for recessionary impacts (as expected), but more than 70% are still taking additional steps to plan accordingly.

Nearly **three-in-four** club leaders are proactively planning for potential recessionary impacts, regardless of their economic outlook for the industry.

Planning for potential recessionary impacts was not strongly correlated to clubs facing new and significant financial challenges, meaning these decisions are mainly proactive rather than reactive.

Economic Outlook of the Club Industry

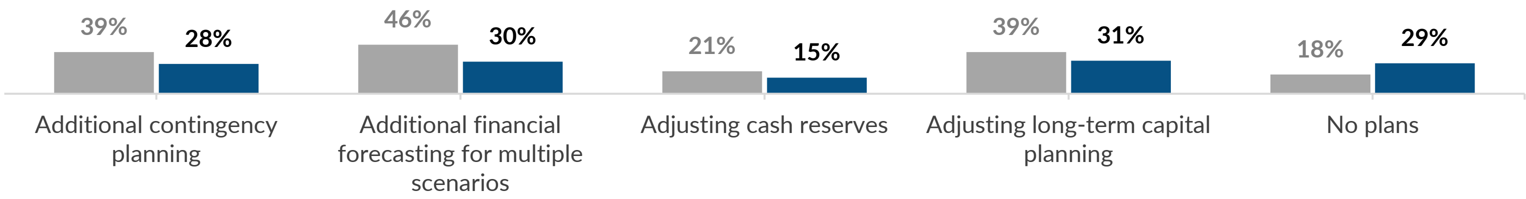
- Optimistic respondents down to 76% (87% previous year).
- Pessimistic respondents up to 12% (6% previous year).



Differences in Planning for Recessionary Impacts Based on Level of Optimism

Pessimistic respondents on economic outlook of the industry

Optimistic respondents on economic outlook of the industry



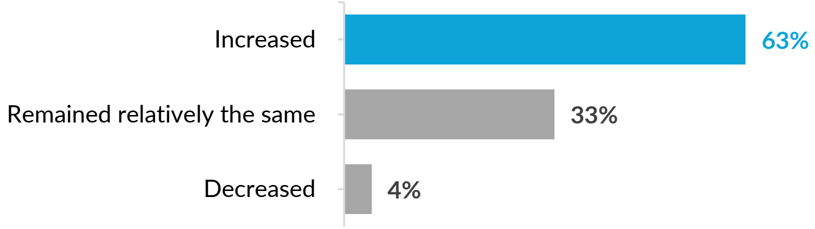
Access and Utilization

Membership growth trends continued in 2022, and clubs appear to be more effectively managing capacities.

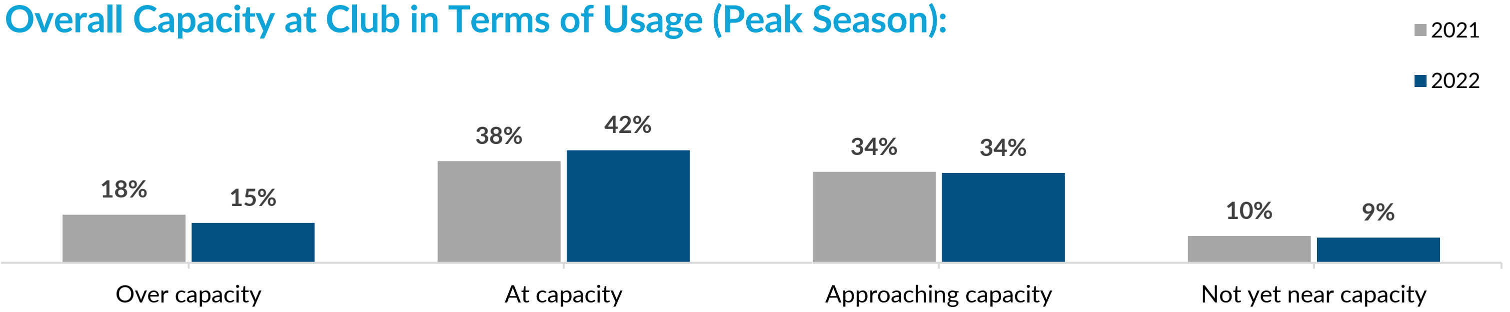
The high demand for private club membership continued in 2022, with 63% of clubs reporting an increased membership count, even after 75% reported an increase a year ago.

Number of Members at Club in Past Year

Despite the increasing membership trend, the distribution of clubs at, over or approaching overall membership capacity remains consistent with last year's results. This may suggest clubs have improved in their ability to balance and optimize member usage, enabling an increase in member capacity.



Overall Capacity at Club in Terms of Usage (Peak Season):



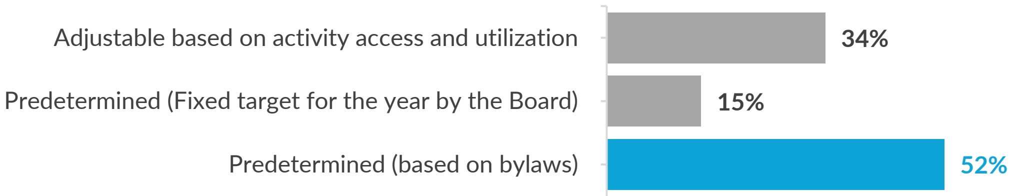
Clubs that measure capacity based on an adjustable philosophy (based on usage and activity) were far more likely to indicate that their club still has member capacity available.

Waitlists continue to increase across the industry.

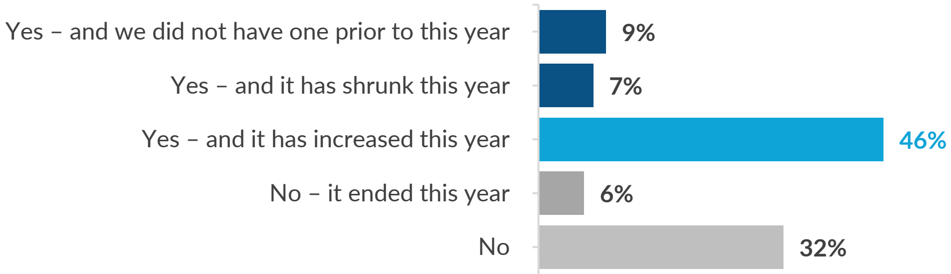
Just over half (52%) of club leaders measure their membership capacity based on predetermined bylaws, with one-third (34%) indicating that their capacity is adjustable based on activity access and utilization.

Number of Members at Club in Past Year

Nearly half (46%) of all club leaders indicated that their waitlist grew in 2022. Overall, 62% of club leaders indicated that their club currently has a waitlist.



Maintains Waitlist for Full Members



67% of clubs measure capacity on a predetermined scale, with 78% of those clubs conforming to bylaws.

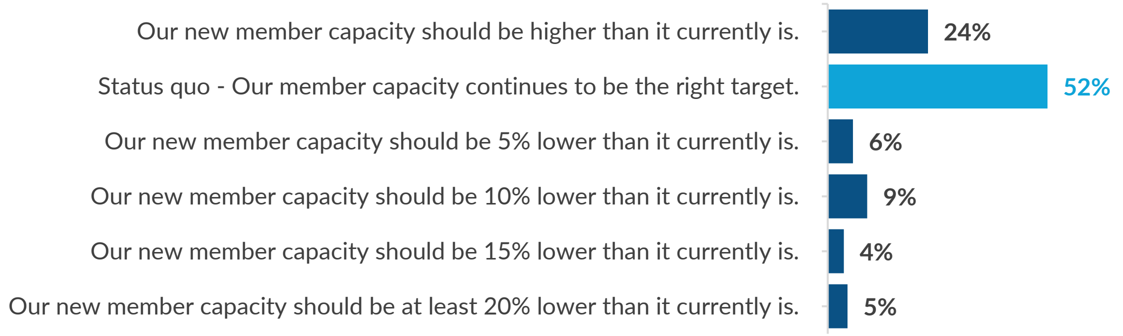
Golf demand remains high as 76% of 'Golf Clubs' indicated they are at or over capacity and 55% said their waitlist has increased over the past year.

Only half of club leaders believe that their current capacity is the correct target for membership levels.

While 52% believe their current capacity remains the right target, the minority is balanced between a desire to increase or decrease their member capacity. Additionally, clubs who measure capacity based on an adjustable philosophy (based on usage and activity) were more likely to indicate that their new capacity should be higher than it is currently. This audience maintains more flexibility to optimize the balance of member capacity with ever-evolving usage at the club.

66% and 81% of clubs that were at capacity or over capacity, respectively, measure capacity based on a pre-determined level.

New Member Capacity Relative to Current Capacity

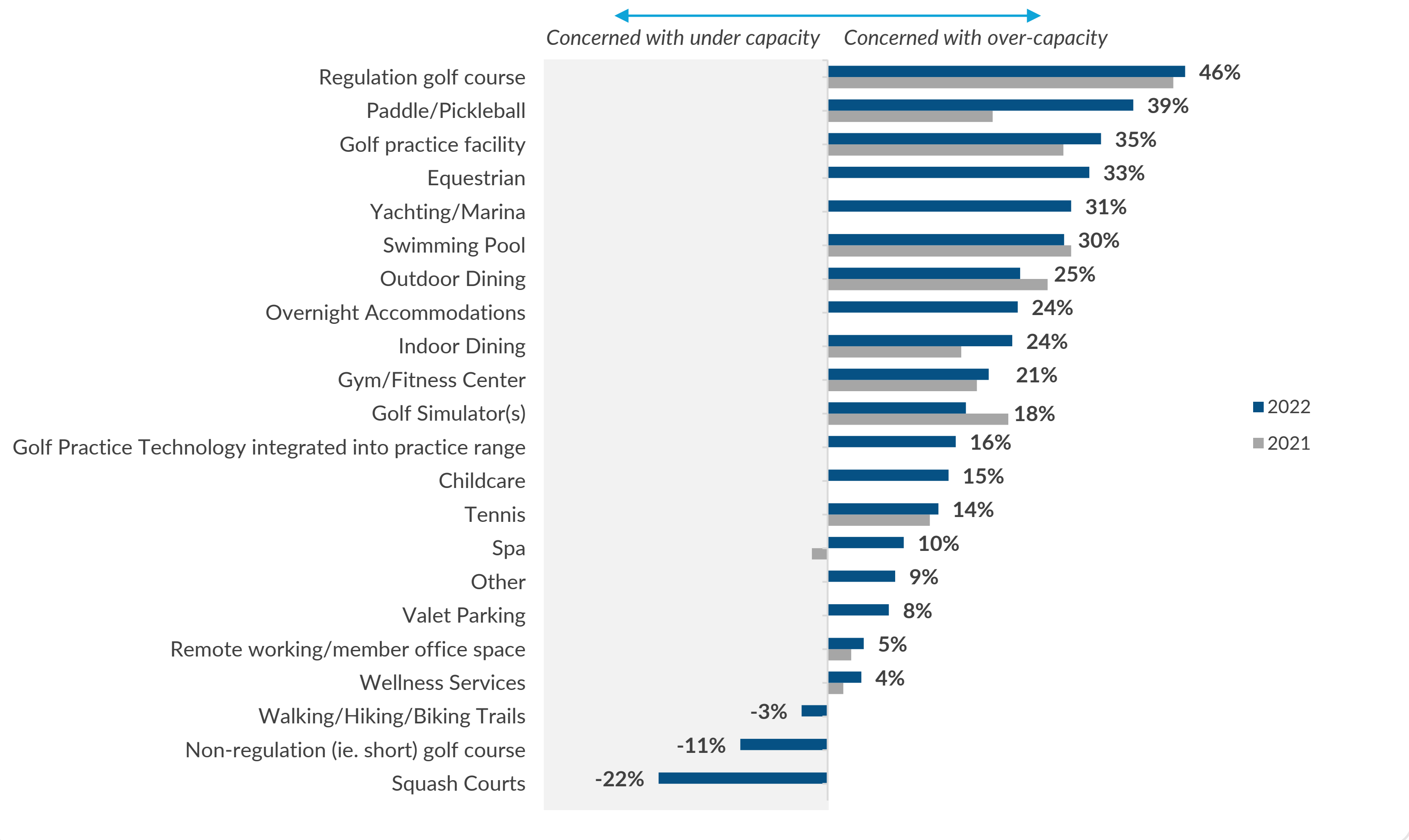


Current Member Capacity vs. Capacity Measurement Method

*Current Capacity Status	Pre-Determined Capacity	Adjustable Capacity
Over Capacity	65.7%	34.3%
At Capacity	80.8%	19.2%
Approaching Capacity	54.4%	45.6%
Not Yet Near Capacity	45.5%	54.5%

*Definitions
Over capacity – My club needs to reduce members and/or overall usage (i.e. less usage per member for certain amenities)
At capacity – My club does not intend to increase members and/or overall usage levels next year.
Approaching capacity – My club still has some room for growth next year (members or usage per member), but not significant growth.
Not yet near capacity – No major concerns with capacity, and could accommodate significant growth of members and/or usage per member next year.

Golf amenities and Paddle/Pickleball facilities are where club leaders are most concerned with 'over-capacity' moving forward.



**This graph represents the 'net' value of concern with over-capacity minus concern with under-capacity.*

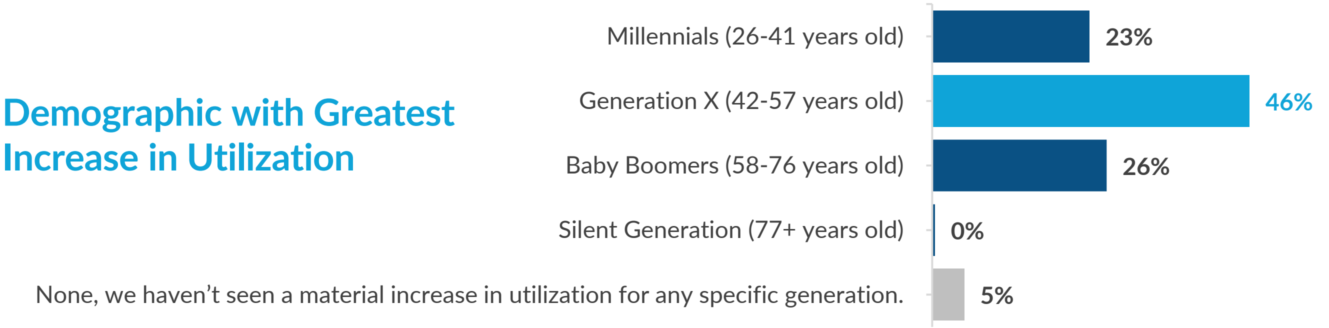
Overall, club leaders indicated greater concern about amenities being over-capacity this year compared to last year, with the exception of Swimming Pool, Outdoor Dining, and Golf Simulators.

Member Experience Insights

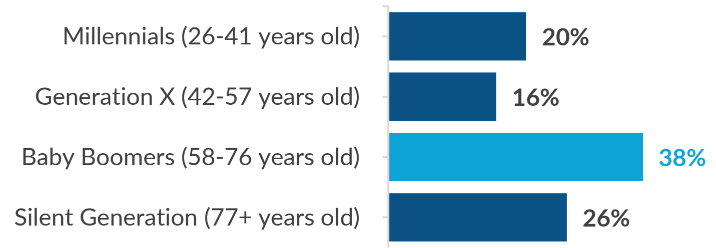
Generation X was observed to have the highest increase in usage of any generation, while Baby Boomers proved to be the most difficult to satisfy.

Gen X (aged 42-57) was indicated as the generation that exhibited the greatest increase in utilization over the past year, important for club leaders to be conscious of considering this generation represents the target age group for most incoming private club members.

Demographic with Greatest Increase in Utilization



Demographic Most Difficult to Satisfy



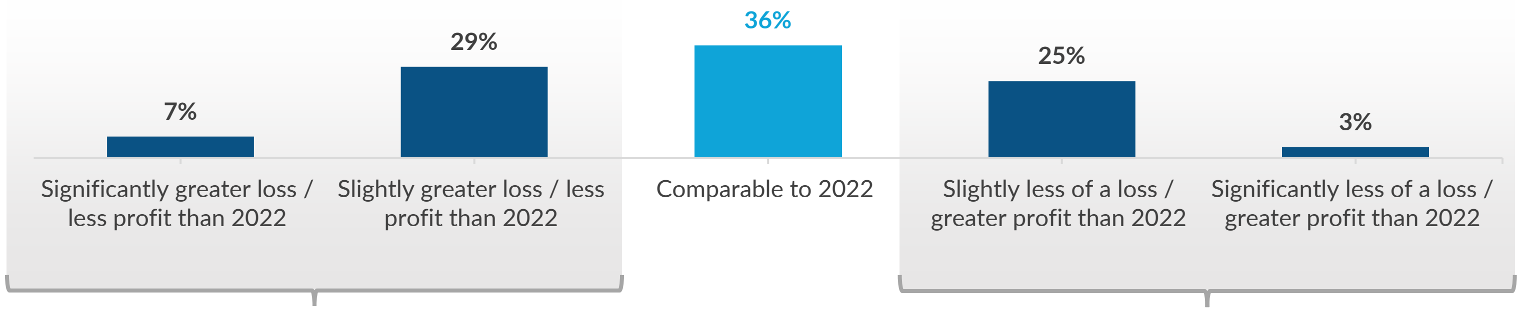
Baby Boomers were believed to be the most difficult to satisfy for the second year in a row, though down from 41% to 38% support this year.

64% of clubs indicated that their new members joining this year were younger than previous trends, with no clubs indicating an 'older than average' incoming class of members joining this year.

75% of club leaders indicated that labor cost impacts were a top factor affecting F&B profitability, with the general outlook that labor cost impacts in 2023 are more likely to lead to greater losses as opposed to a profitability improvement compared to last year.

Expectations for F&B profitability in 2023 are inconsistent, with a relatively balanced spread between those expecting a better, comparable or worse financial performance.

Profitability of F&B Department Moving Forward



Top Reasons for Greater Losses:

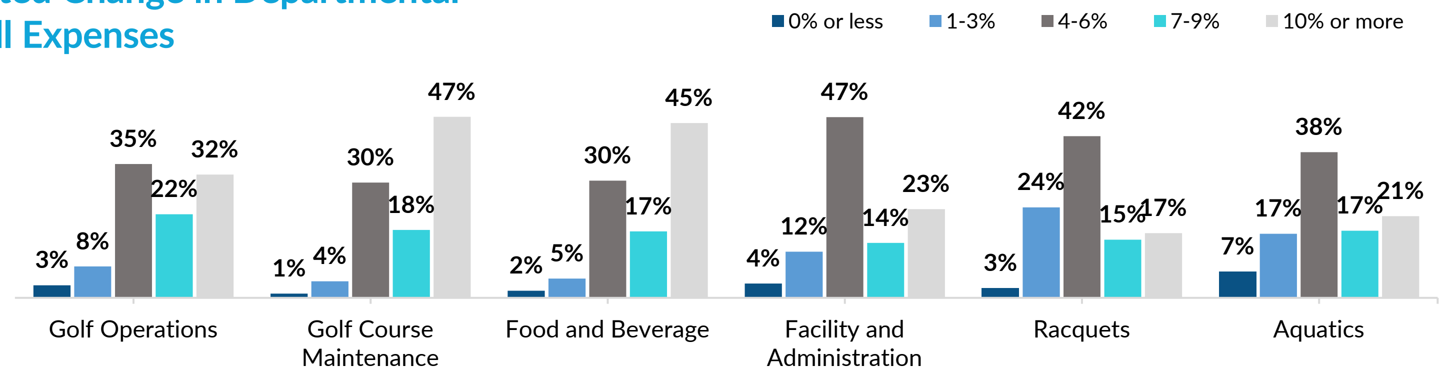
- Labor Costs (100%)
- Food/beverage costs (88%)
- Member usage/spend levels (36%)

Top Reasons for Greater Profits:

- Food/beverage costs (58%)
- Member usage/spend levels (58%)
- Labor costs (43%)

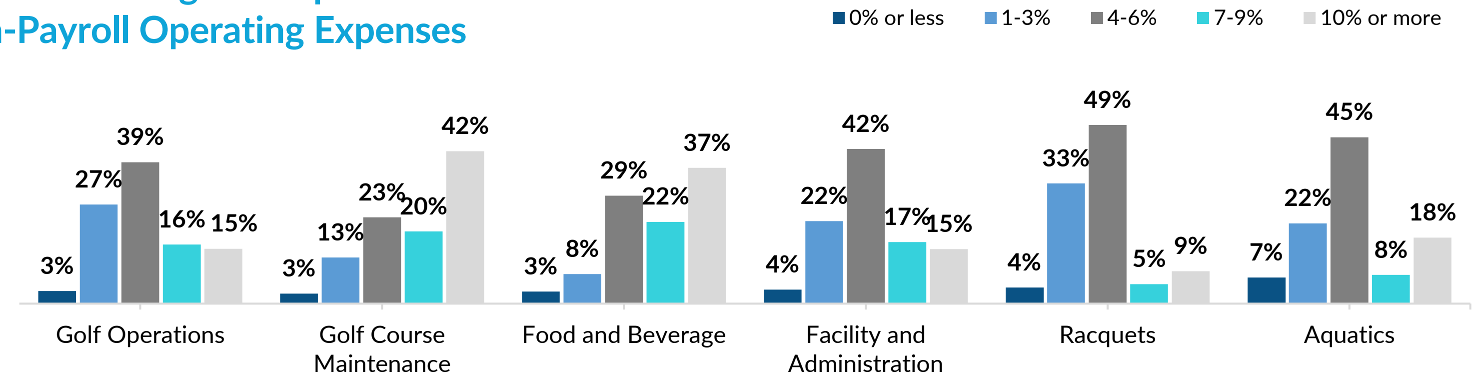
Club leaders are expecting continued high inflationary increases to key departmental expense budgets.

Expected Change in Departmental Payroll Expenses



	Golf Operations	Golf Course Maintenance	Food and Beverage	Facility and Administration	Racquets	Aquatics
Average:	7.4%	9.0%	8.6%	6.3%	6.0%	6.2%

Expected Change in Departmental Non-Payroll Operating Expenses



	Golf Operations	Golf Course Maintenance	Food and Beverage	Facility and Administration	Racquets	Aquatics
Average:	5.6%	8.4%	7.7%	5.5%	4.5%	5.4%

On average, increases to payroll expenses (7.3%) are expected to outpace non-payroll expenses (6.2%). These expectations are a slight increase from last year, when club leaders anticipated a 7.0% increase to payroll expenses and 5.7% increase in non-payroll expenses.

Notably, expected increases to F&B expenses for payroll and non-payroll are slightly less than last year, down from 10.2% and 8.3%, respectively.

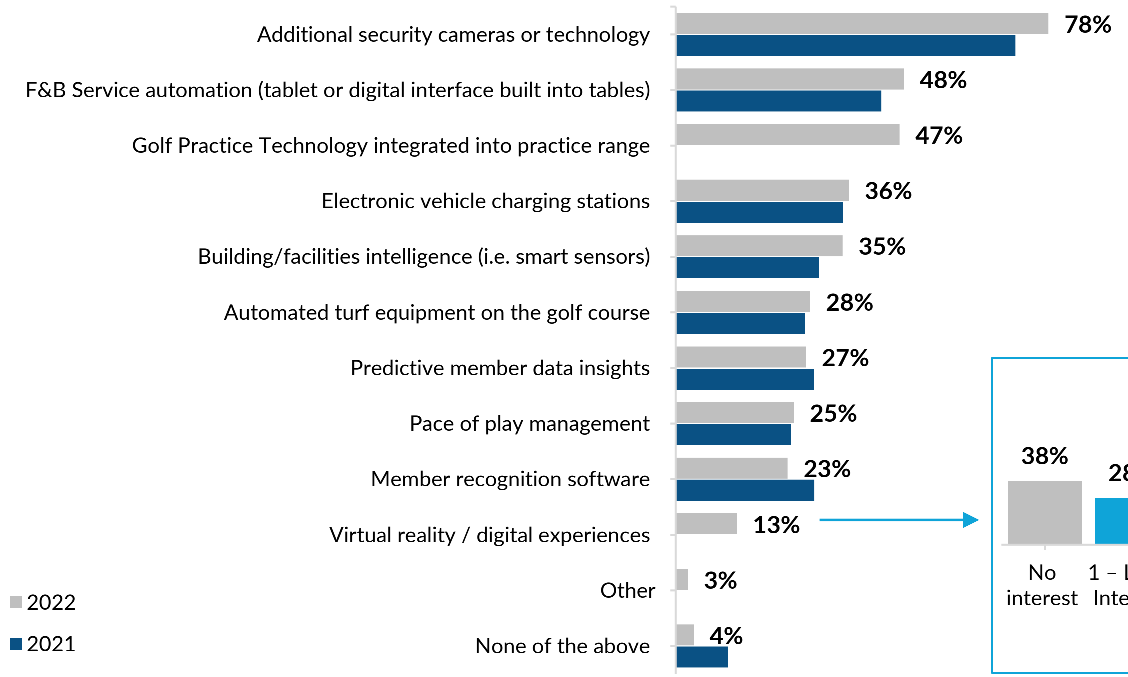
13% of club leaders indicated that they have implemented virtual reality ("VR"), while 26% of respondents indicated their membership had shown 'some interest' in a VR offering, with common areas of virtual interest including golf simulators and virtual fitness classes.

City clubs lead the way in terms of the highest level of VR interest.

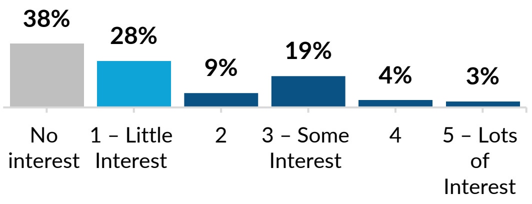
New technology adoption continues to improve gradually, lead by security, service automation, golf tech integration and building/facility intelligence.

Additional security cameras or technology remained the top considered or adopted technological improvement, increasing from 71% to 78% of clubs. Adoption continues to strengthen for F&B service automation, golf-practice technology and building/facility intelligence.

New Technological Innovations/Automations Being Implemented



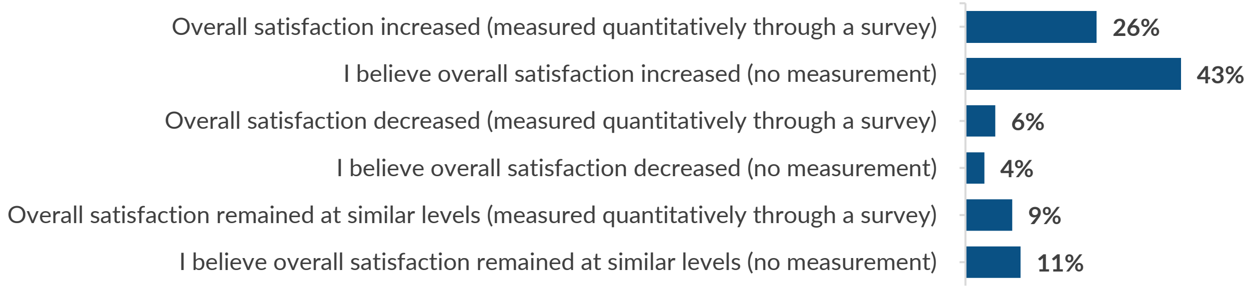
Level of VR Interest



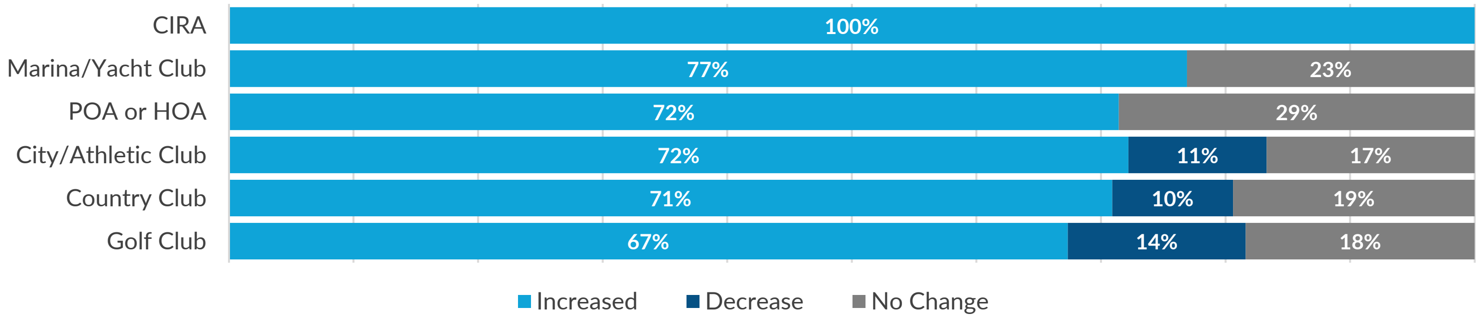
Club leaders who did not measure satisfaction in 2022 were far more likely to perceive an increase in member satisfaction, inferring a potential blind-spot.

42% of responding club leaders surveyed their members in 2022, which is slightly higher than the 39% in 2021. Of that audience, 61% measured an overall increase in satisfaction, while 74% of the audience who did not measure satisfaction perceived an increase.

Impact on Member Satisfaction



The indicated member satisfaction change across club types is highlighted below:



69% of club leaders indicated that overall satisfaction increased in 2022, compared to 72% in 2021.

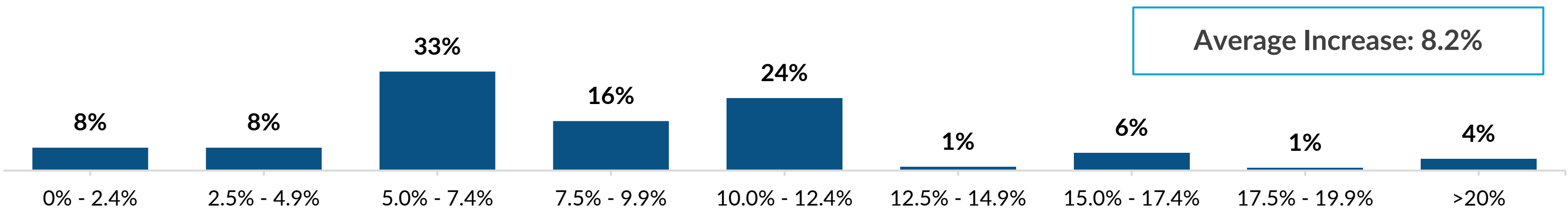
Capital and Finance

The projected average dues increase in 2023 of 8.2% exceeds last year's expected average increase of 6.2%, maintaining alignment with inflationary expectations for expense budgets.

Club leaders expect to continue to increase annual dues to align with inflationary cost expectations, well in excess of the historical norms for the industry.

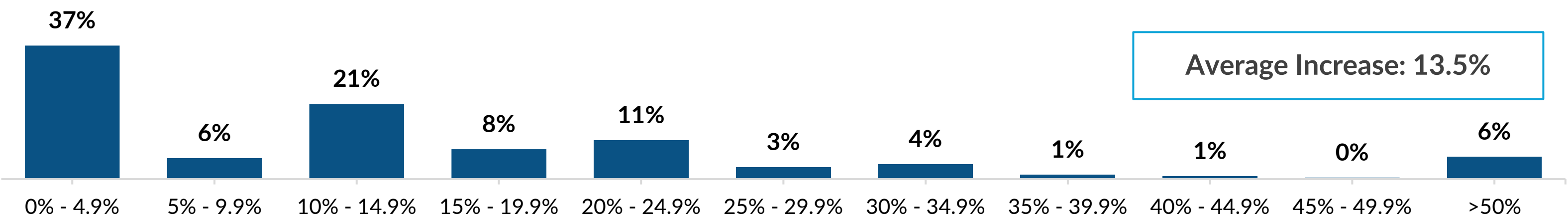
Only 8% of responding club leaders expect to raise dues by less than 2.5% in the coming year, while an increase in the range of 5.0%-7.5% was most common.

Planned Annual Dues Increases This Year



Planned increases to entrance fees have understandably cooled since last year, when 92% of responding clubs were planning for an increase.

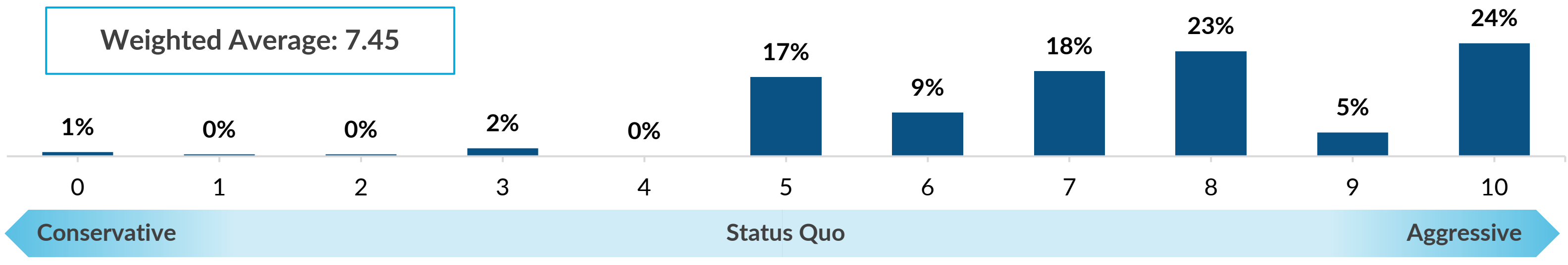
Planned Entrance Fee Increases This Year



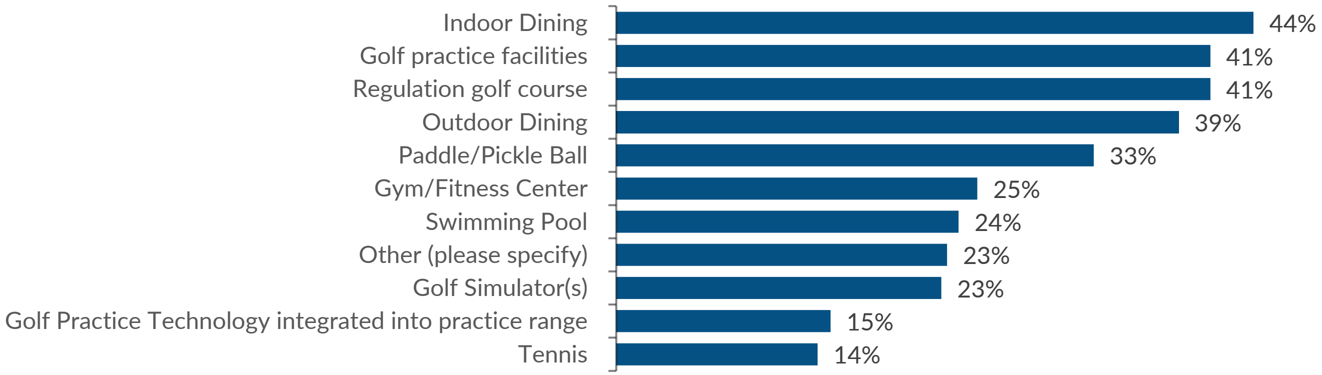
Clubs continue to exhibit an aggressive capital investment appetite over the next five years.

Golf and country clubs plan to continue to strengthen their core amenities in the next 5 years, with golf and dining improvements being the most popular, though the expectation for regulation golf course projects has decreased from 51% to 41%. Paddle/pickleball continues trending upwards as an expected area of capital improvement for 33% of responding clubs within the next five years.

Club's Appetite for Capital Investment



Expected Improvement Areas for Capital Projects in Next 5 Years



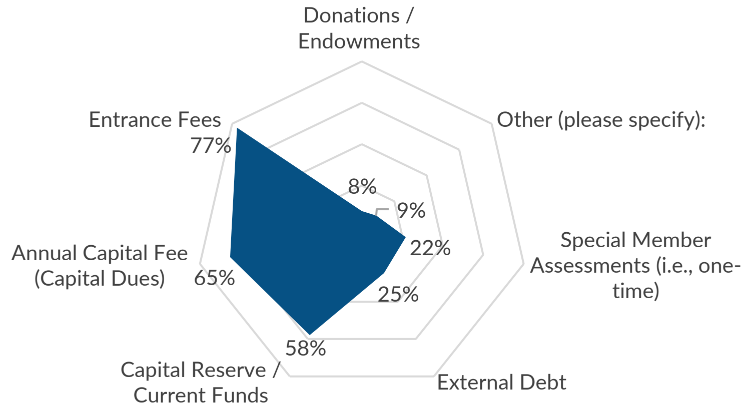
The appetite for capital investment remains high, and comparable to last year's result (7.5 out of 10).

Paddle/pickleball projects increased from 20% to 33% as a trending area of focus for capital improvement.

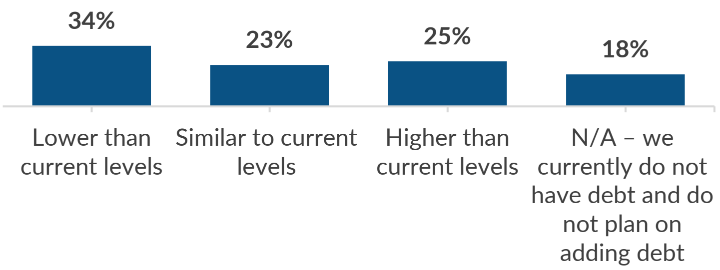
Clubs are relying on an increasing blend of sources to maximize capital funding potential.

Utilization of entrance fees and annual capital fees (dues) continue to be the leading sources of capital funding at clubs in addition to existing reserves, and both increased from last year. One-time member assessments also increased notably from 15% to 22% this year. The majority of funding sources increased this past year in terms of funding provided to clubs, a favorable indicator.

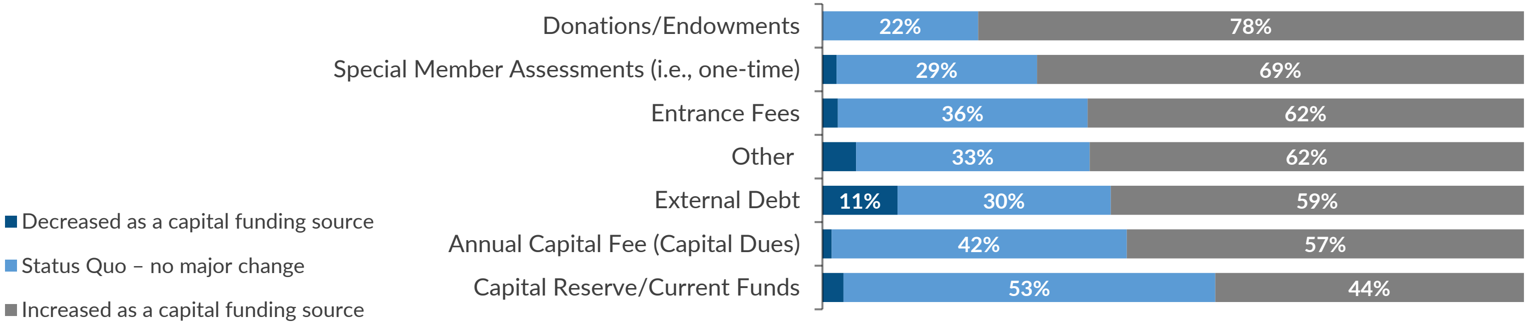
Use of Capital Funding Methods in 2022



Expected Debt Levels Over Next 5 Years



Changes in Capital Funding Methods in 2022



Funding available to clubs increased across primary sources, helping clubs meet the high appetite for capital investment over the year.

Expectations of future debt levels skew slightly lower than a year ago, likely impacted by the current cost of borrowing. 75% plan to maintain or reduce club debt over the next 5 years.

Clubs were active in 2022 with capital investment projects across golf, dining, and other recreational improvements.

Major Capital Projects Planned (Open-Text Response):

Word	Frequency
golf	51
course	47
pool	29
dining	28
clubhouse	27
tennis	21
bunkers	20
bar	15
irrigation	13
pickleball	11
building	11
tee	10
range	10
fitness	10
maintenance	8
locker	8

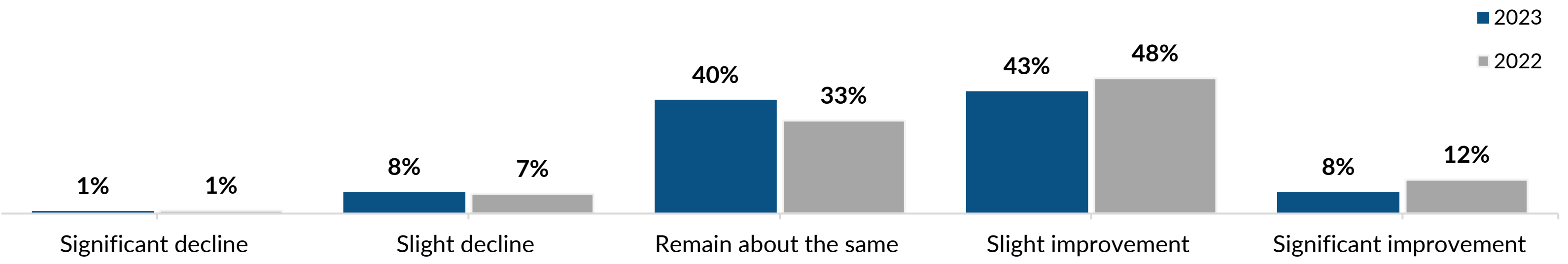
63% of respondents indicated that their club completed, initiated, or approved a major capital improvement in 2022, with an average value of $7.0M and median value of $2.6M.

There is consensus that a key financial risk to clubs over the next 18 months will be increased labor and retention costs.

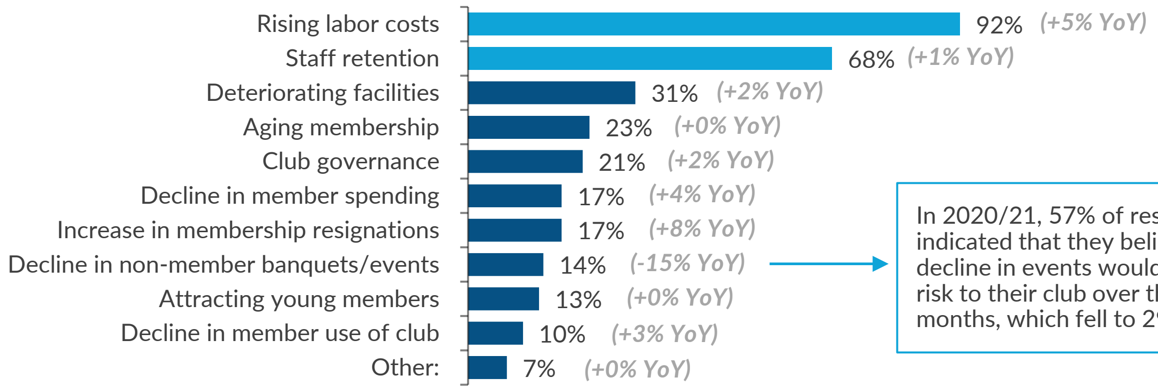
The expected challenge of recovering banquet/event revenue, which was driven by pandemic impacts, has largely subsided as only 14% of club leaders still view this as a financial risk.

Club leaders remain optimistic about the financial position of their clubs, despite increasing perceptions of financial risk.

Expected Change in Financial Position in Next 12 Months



Key Financial Risks to the Club Over Next 18 Months:



In 2020/21, 57% of respondents indicated that they believed that the decline in events would be a key financial risk to their club over the next 18 months, which fell to 29% in 2021/22.

Diversity, Equity & Inclusion

Adoption of DE&I measurement was most common for pay inequalities, and less so for advancement opportunities and engagement disparity.

In general, clubs with higher revenue levels displayed a greater focus on allocating resources to DE&I initiatives.

Clubs are adopting a willingness to measure DE&I inequalities at the employee level, but far less likely to have a strategic plan or formal allocated resources.

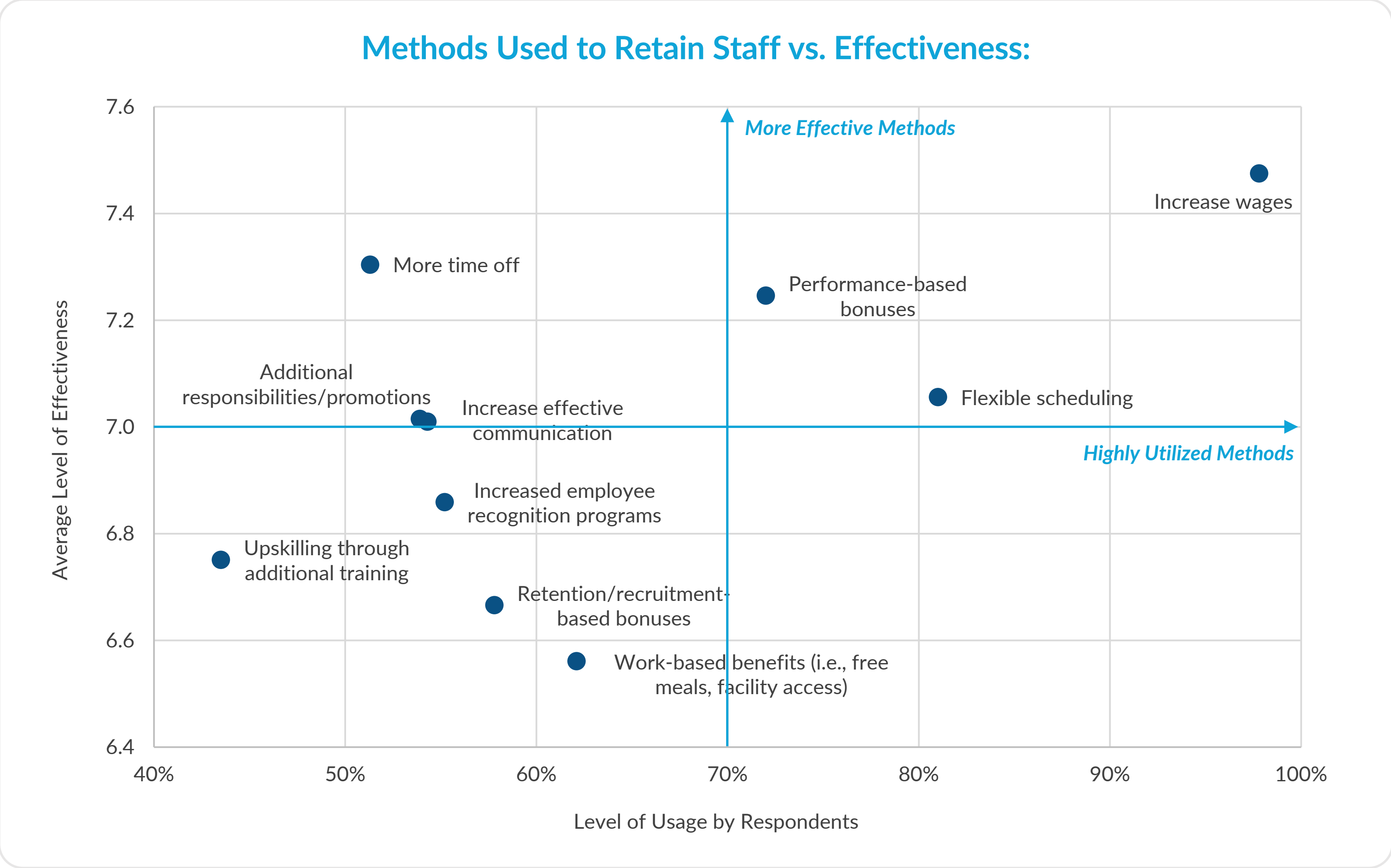
Level of Agreement with DEI Statements:

Rating Scale: 1 = Strong Disagree, 3 = Neutral; 5 = Strongly Agree

DE&I Statements:	1	2	3	4	5	N/A	Rating
Our club measures potential pay inequalities to support the equity between employees of the club.	15%	9%	20%	23%	20%	13%	3.26
Our club uses diverse strategies and tactics to support and address the unique needs of all employees at the club.	11%	14%	23%	24%	14%	14%	3.18
As a manager, I would like to see more targeted resources to assist in the strategic development of our diversity, equity and inclusion initiatives.	14%	13%	27%	18%	15%	14%	3.09
Our club measures potential disparities in employee engagement it relates to feeling and valued by the club.	19%	11%	25%	19%	12%	15%	2.92
Our club measures potential disparity in the advancement across various groups (i.e., gender, race) of employees.	26%	14%	22%	10%	7%	20%	2.48
Our club has a strategic plan to increase the diversity of our employees.	28%	8%	27%	12%	4%	22%	2.44
Our club has put financial resources behind efforts to support increasing the diverse representation of our employees.	27%	14%	22%	10%	6%	21%	2.39

Inflationary Impacts on Service

To retain staff over the past year, compensation incentives and flexible scheduling continue to be the most utilized and generally effective tactics.

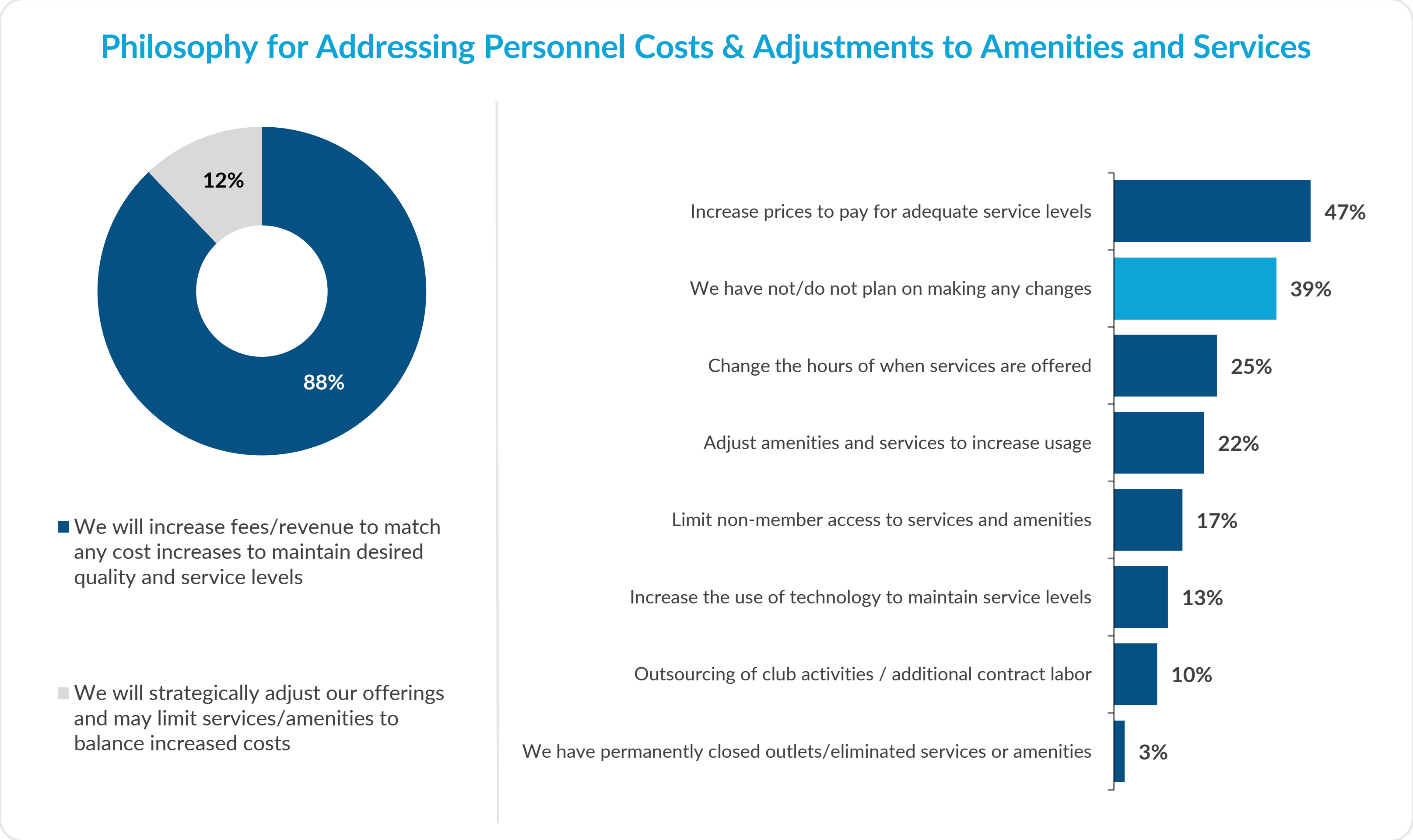


54% of responding club leaders indicated that their club surveyed employees in 2022, an increase from 46% last year.

Clubs that surveyed their employees showed higher utilization of all retention methods aside from increased wages, and slightly higher effectiveness with those retention methods.

With majority agreement of the philosophy to increase fees/revenues to match cost increases, 61% of club leaders still plan to be proactive in addressing the impact of the costs associated with personnel (beyond simply 'raising dues').

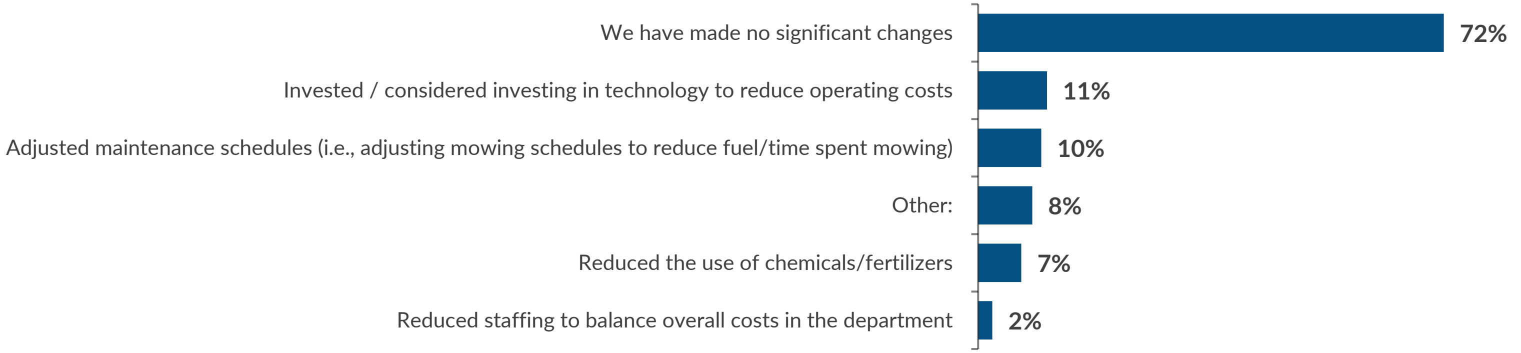
Nearly nine-in-ten clubs will address the inflationary impacts on personnel costs by aligning the increases for fees/revenue levers.



Despite the significant inflationary pressure on petroleum-based products, club leaders generally did not make significant changes to operations.

City/athletic clubs were most likely to make changes to combat inflationary pressures on petroleum-based products, followed by golf clubs. Club leaders appear to be focused more on adjusting pricing to fees/revenue streams and combating labor costs rather than tactics to mitigate petroleum-based costs.

Changes Made to Combat Inflationary Pressure on Petroleum-Based Products



“No Significant Changes” By Club Type

	Country Club	Golf Club	City/Athletic Club	Marina/Yacht Club
We have made no significant changes	78%	61%	44%	82%

For golf clubs, the most popular changes were adjusted maintenance schedules (24.5%) and investing in technology to reduce operating costs (24.5%).

Table of Contents

Membership Metrics

	First Quartile	Median	Third Quartile	Average
Full Membership Entrance Fee	$13,750	**$35,000**	$89,500	$61,756
Full Membership Annual Dues	$6,000	**$9,000**	$13,000	$9,930
Total Memberships	470	**700**	1,025	1,088
Total Memberships Capacity	425	**654**	946	1,037
Full Dues Paying Memberships	328	**450**	695	701
Full Dues Paying Membership Capacity	360	**500**	705	749

Operating Metrics

	First Quartile	Median	Third Quartile	Average
Total Gross Revenue	$6,600,000	**$9,000,000**	$13,000,000	$11,796,641
Total Food and Beverage Revenue	$1,520,000	**$2,200,000**	$3,500,000	$3,047,780
Total Food and Beverage Profit/Loss	-$600,000	**-$220,000**	$25,000	-$327,784
Total Rounds Played	18,000	**25,000**	32,000	30,365

Capital and Finance Metrics

	First Quartile	Median	Third Quartile	Average
Total Assets	$9,000,000	**$18,000,000**	$33,615,500	$26,880,495
Total Liabilities	$2,196,060	**$5,600,000**	$13,250,000	$10,204,852
Total Cash and Cash Equivalents	$1,276,300	**$2,522,200**	$4,952,000	$4,313,803
Total Debt (current principal balance)	$0	**$2,000,000**	$5,358,085	$3,524,997

Additional Metrics (Created using a ratio or calculation of two or more previously presented metrics)

	First Quartile	Median	Third Quartile	Average
Full Membership Capacity % (Full Dues Paying Memberships / Full Dues Paying Membership Capacity)	89%	**99%**	100%	92%
Membership Capacity % (Total Memberships / Total Memberships Capacity)	94%	**100%**	100%	98%
F&B Revenue Per Membership (Total F&B Revenue / Total Memberships)	$2,088	**$3,333**	$4,649	$3,494
F&B Margin (F&B Profit/Loss / F&B Revenue)	-21%	**-9%**	0%	-13%
Net Debt (Debt less Cash) (Total Debt – Total Cash and Cash Equivalents)	-$1,502,874	**$0**	$1,125,000	-$488,703
Debt per Full Membership as % of Annual Dues ((Total Debt / Full Dues Paying Memberships) / Full Membership Annual Dues)	0%	**19%**	111%	82%
Debt per Membership as % of Annual Dues ((Total Debt / Total Memberships) / Full Membership Annual Dues)	0%	**10%**	63%	52%

Metrics Trend

	2021 Median	2022 Median	YoY Change	% YoY Change
Full Membership Entrance Fee	$23,000	$35,000	$12,000	52%
Full Membership Annual Dues	$7,140	$9,000	$1,860	26%
Total Memberships	600	700	100	17%
Total Memberships Capacity	650	654	4	1%
Full Dues Paying Memberships	400	450	50	13%
Full Membership Capacity	450	500	50	11%
Total Gross Revenue	$6,738,351	$9,000,000	$2,261,649	34%
Total Food and Beverage Revenue	$1,500,000	$2,200,000	$700,000	47%
Total Food and Beverage Profit/Loss	N/A	-$220,000	N/A	N/A
Total Rounds Played	26,889	25,000	-1,889	-7%
Total Assets	$12,755,032	$18,000,000	$5,244,968	41%
Total Liabilities	$4,290,329	$5,600,000	$1,309,671	31%
Total Cash and Cash Equivalents	$1,968,767	$2,522,200	$553,433	28%
Total Debt (current principal balance)	$1,830,000	$2,000,000	$170,000	9%

GGA Partners
Insight | Strategy | Success

Trusted advisors to the golf, private club and leisure industries.

GGA Partners™ is an international consulting firm and trusted advisor to many of the world's most successful golf courses, private clubs, resorts and residential communities. We are dedicated to helping owners, asset managers, club and community leaders, investors and real estate developers tackle challenges, achieve objectives and maximize asset performance.

Established in 1992 as the KPMG Golf Industry Practice, our global team of experienced professionals leverage in-depth business intelligence and proprietary global data to deliver impactful strategic solutions and lasting success.

Contact Us

info@ggapartners.com

North America: 1-888-432-9494

EMEA: +353-1-44-33-603

GGA Partners

@ GGA_Partners

www.ggapartners.com

Disclaimer

Information and analysis contained in this report is based on the results of the A Club Leader's Perspective: Emerging Trends & Opportunities Survey conducted in December 2022 through January 2023 and is intended to provide club leaders a platform for thought leadership and information sharing. GGA Partners ("GGA") makes no guarantee, representation, or warranty with regard to the accuracy of the information inputted by survey respondents in relation to their club operations and performance, or to the accuracy of the resulting information contained herein.

GGA is not responsible for any errors or omissions, or for the results obtained from the use of this information. All information in this paper is provided "as is", with no guarantee of completeness, accuracy, timeliness, or of the results obtained from the use of this information, and without warranty of any kind, express or implied, including, but not limited to warranties of performance, merchantability and fitness for a particular purpose.

Nothing herein shall to any extent substitute for the independent investigations and the sound technical and business judgment of the reader. In no event will GGA, or their partners, employees or agents, be liable to you or anyone else for any decision made or action taken in reliance on the information in this report.

GGA Partners

Insight | Strategy | Success

A Club Leader's Perspective

Emerging Trends and Opportunities For 2023

ggapartners.com

In collaboration with CMAA

CLUB MANAGEMENT ASSOCIATION OF AMERICA