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RESEARCH AND INSIGHTS FROM THE LEADING ADVISORS IN GOLF

DECEMBER 2014

Club Communications Series: Communicating To Your Members Part II

Survey Results



GLOBAL GOLF
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CLUB COMMUNICATIONS SERIES: COMMUNICATING TO YOUR MEMBERS PART II

This is the second installment of a series of communication surveys that GGA has undertaken over the last six months. Each survey is designed to provide research and insight with respect to communication trends at private clubs across the globe and to define common elements of successful communications.

The results of the first study can be [viewed here](#) to which the key findings and learnings were:

- Clarity is the weakest attribute of club communications.
- Digital communications delivered via email are the most effective forms of media at private clubs. E-blasts, Direct Emails, and a digital Newsletter that is emailed to members are the most compelling communication methods.
- Social media outlets are the least effective methods of communicating overall.
- There is a trend toward making website and members-only content accessible to members on-the-go. More than half of the clubs who responded to our Survey have a unique mobile application for their members.
- Allowing members to be directive of communications – permitting them to choose the methods by which they wish to receive communications – is a best practice and is common at private clubs.

SURVEY PARTICIPANTS

GGA received 375 completed surveys from executives, managers, and key facilitators directly involved with club management.

The participants hold club management positions listed below:

- General Manager
- Chief Executive Officer (CEO)
- Chief Operating Officer (COO)
- Chief Financial Officer (CFO)
- Director of Golf
- Assistant Manager
- Controller
- Key executives of multi-course owner/operator groups
- Various directors and coordinators involved with membership, communications, marketing, and development



OVERVIEW OF SURVEY RESULTS

70%

Most clubs do not utilize a formal customer relationship management system to organize new member leads and prospects.

Most clubs do not leverage a committee in the communication process.

Most clubs Outsource coordination of information technology services to a third party.

“By The Numbers”

1/2

Clubs successfully recruit roughly half of all new member leads that they are in communication with each year.

Cost savings are cited as the top reason for producing communications in-house by clubs that do not outsource.

2/3

Most clubs produce their newsletters in-house using one dedicated resource and do not outsource production or use a designer.

Most clubs do not use periodic polling of the membership to obtain focused feedback.

“Greatest Challenges”

- Consistency and **timeliness** of marketing and communications.
- Communicating upcoming decisions on the club’s future and explaining board/management operations and decisions to **existing** members.
- Communicating club values and the club’s identity to **prospective** members.

“Most Important Goals”

1. Enhance Member Satisfaction.
2. Increase Participation.
3. Increase Member Value

“Most Common Method”

More than **9 in 10** clubs use **Newsletters** to disseminate information to members.





EXECUTIVE SUMMARY

The initial report in GGA's Communication Series explored a paradox that we often encounter during our work with private club clients; members feel that the club communicates ineffectively, while our investigations indicate that the club is communicating all the time on multiple platforms.

Our research indicated that this break in communication is attributable to the 'how' of club communications rather than the 'what' or 'when'. In essence, members are not receiving the information they want, when they want it, in the way that they want it.

We found that top performers and master communicators have become adept at tailoring communications and, through the use of technology and digitally-based communication methods, are rapidly delivering succinct communications to members' preferred outlets.

Building upon key learnings and takeaways from Part I of this series, this second report keenly focuses on the capacity for private clubs to meet the demand for increasingly customized member communications and their ability to respond to changing trends affecting club communications. Topics explored in this survey include communication goals that clubs hope to achieve, tactics for membership growth, personnel and skill-sets used in marketing and communications, member engagement and feedback, and the greatest communications challenges that club managers face.

Analysis of the survey responses has identified the following trends and key takeaways:

- 1. The top three most important goals of club communications were: member satisfaction, increasing participation, and increasing member value. In the spirit of altruism, club leaders really mean this: nearly 85% indicated that using communications to maintain high rankings in key industry publications is not an important goal of their communications.**
- 2. Club communications are not sufficiently used to stimulate membership growth, and many clubs miss membership growth opportunities every day. Approximately one-third of participating private clubs do not use club communications to gain new members; more than 70% of clubs do not utilize a formal customer relationship management system to organize new member leads and prospects.**
- 3. Generally clubs successfully recruit roughly half of the leads that they are in communication with each year. Participating clubs indicated that they**





communicate with an average of 100 membership leads per year and issue approximately 49 new memberships each year.

4. Newsletters are the most common method of disseminating information, produced by more than nine out of ten clubs on a regular basis. Nearly two in three clubs produce their newsletters internally and entirely on their own.
5. Cutting corners to save on budgets is common in the sphere of communications. Slightly less than half of participating clubs produce their newsletters internally in an effort to cut production costs or save money. Furthermore, two out of three clubs do not hire designers to build material for their communications.
6. Most clubs rely on one person to coordinate club communications. Two-thirds of participants indicated that one person is directly responsible for marketing communications, and more than seven in ten clubs do not utilize a committee for communication purposes.
7. Most private clubs are reliant on non-affiliates to coordinate their information technology services. More than seven in ten clubs outsource their IT services to a third-party company. Of those clubs that do employ an IT professional, half of them employ this person on a part time or as needed basis.
8. IT professionals are underutilized from a communications standpoint. When asked to identify the most common responsibilities of their IT professionals, private clubs indicated that their professional predominantly focuses on software, network, and equipment support rather than data tracking, analytics, or measuring communication success.
9. Most clubs, almost three in four, use online systems such as ForeTees, Jonas, or Club Essential to coordinate reservations and bookings for key club events. The most important goals of these online reservation systems are to increase accessibility to members and increase their participation in club events.
10. Easy answers to clubs' most specific questions are often missed. Slightly more than two-thirds of respondents indicated that they do not poll their members, which differs from member surveys in that they ask a single question acutely focused on a specific area of club operations.
11. The greatest challenges of marketing and communications for many private club operators relate to consistency and timeliness.



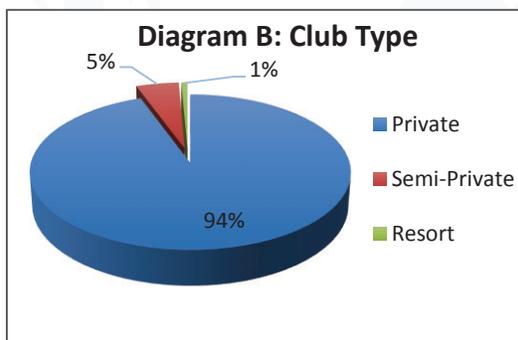
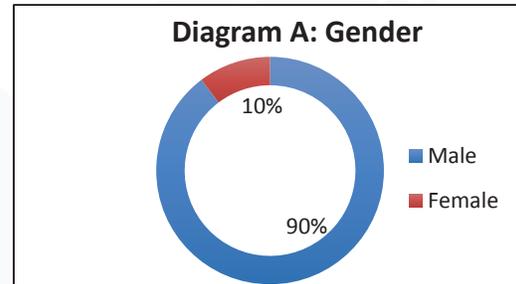


- 12. Achieving mutual understanding with current members is difficult with respect club communications. Survey respondents indicated that communicating upcoming decisions regarding the club's future, and explaining Board/Management operations and decisions, are the two toughest topics to communicate to existing members.**
- 13. Who are we? Participating club managers reported that the two most difficult items to communicate to prospective members relate to club values and club identity.**
- 14. An impressive eight in ten clubs feel that they have a strong understanding of regulations impacting their club's marketing and communication platform.**



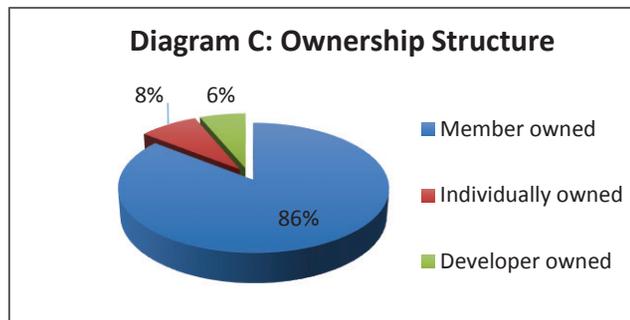
RESPONDENT PROFILE

Of those that completed the survey in its entirety, nine out of ten (90%) respondents were male and approximately 10% were female.



More than nine out of ten (94%) respondents were operators, managers, or executives at private country clubs while semi-private (5%) and resort (1%) communities made up the remainder. There were several participants from bundled communities and community associations.

More than four in five (86%) respondents are employed at facilities that are member-owned, though few belong to individually-owned (8%) or developer-owned (6%) facilities. Several facilities are uniquely owned by entities such as a village, university, or a corporation.



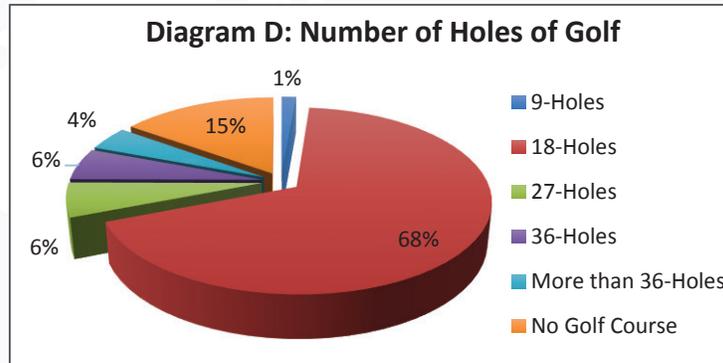
The majority of respondents are employed at a facility with a leadership structure containing a Board of Directors (82%), General Manager or Chief Operating Officer (92%), Board of Advisors (5%), Owner (9%), Ownership Company (4%), and Director of Golf (13%). The following leadership roles were mentioned by various respondents:

- Advisory Board
- Board of Trustees
- Club Manager
- Main Committee

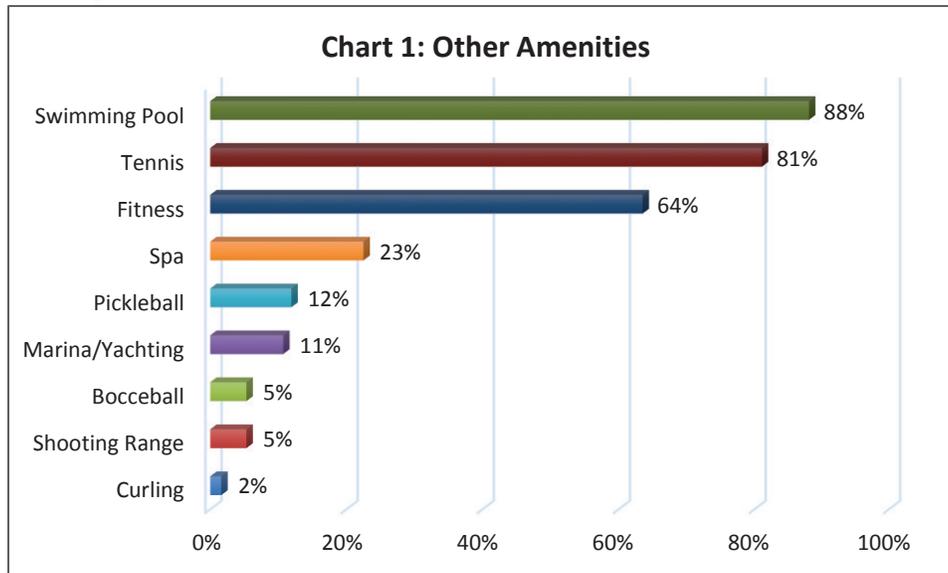




Most participating clubs operate 18-hole golf facilities (68%) although a contingent of respondents belong to clubs exclusively focused on tennis, yachting, and other non-golf related sports (15%).



Respondents hail from facilities that include, but are not limited to, the following amenities:

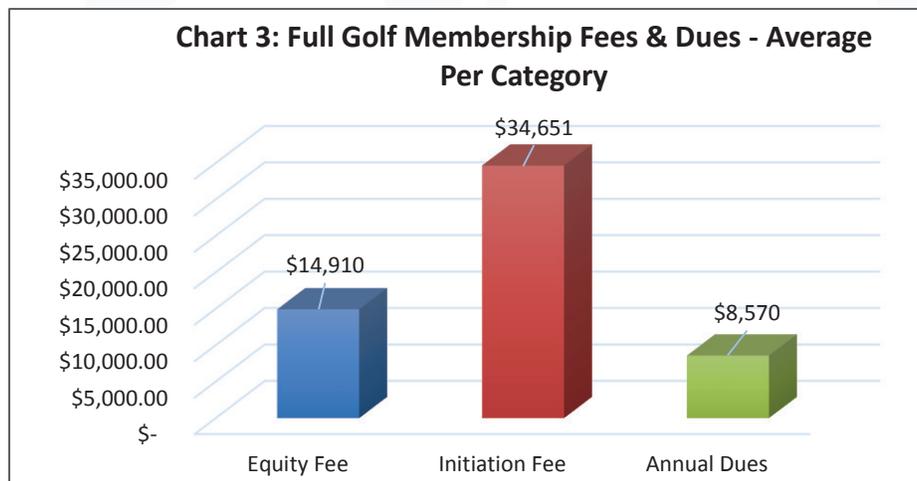


The membership profile was generated by asking participants to indicate the number of members by category. On average, participants have 436 Full Golf Members, 526 Total Golfing Members, and 797 Members overall.





Survey participants reported detailed fees and dues associated with Full Golf Memberships at their respective clubs. On average, these clubs reported an Equity Fee of approximately \$14,910, an Initiation Fee of \$34,650, and Annual Dues around \$8,600.



The average green fee rates fall in the range of \$94 on weekdays to \$101 on weekends.

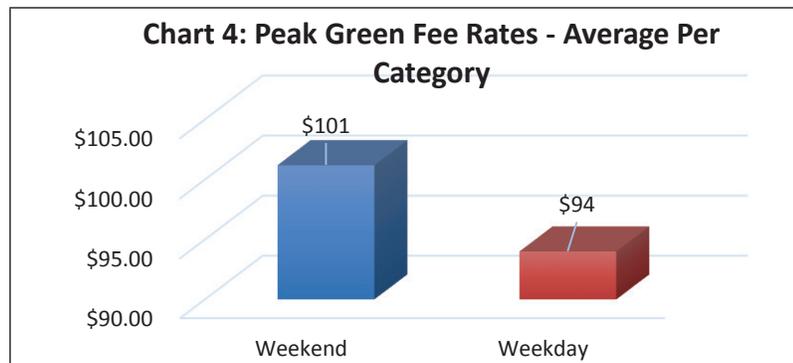
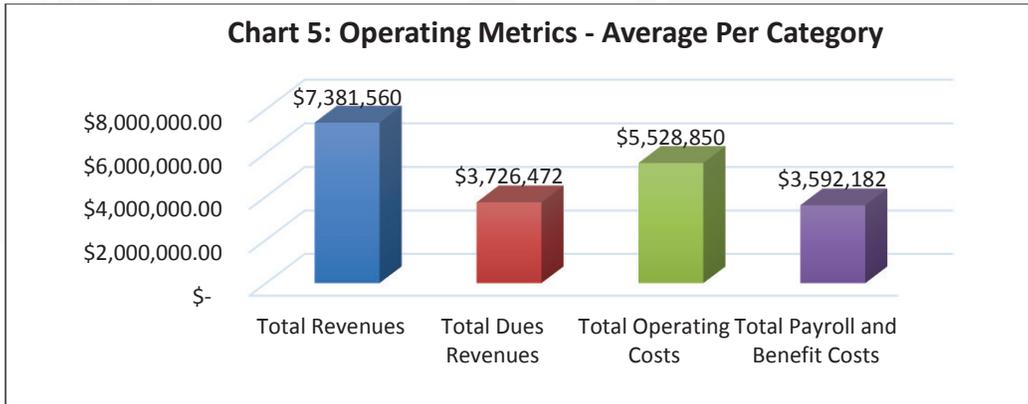




Chart 4 depicts the average operational metrics by category: total revenues average \$7.4 million, total dues revenues \$3.7 million, total operating costs \$5.3 million, and total payroll and benefits costs \$3.9 million.



SURVEY QUESTIONS

Q: EVALUATION OF CLUB COMMUNICATION GOALS

The survey asked respondents to organize the goals of their club’s communication platform in terms of ‘Most Important’ and ‘Least Important’. Six specific criteria were used: member satisfaction, prospecting new members, increasing participation, generating traffic to the website, increasing member value, and brand recognition and awareness.

Chart 6: Club Communications Goals – Most Important Goals

Goal	Average Rating	% Important
1. Member Satisfaction	1.71	99%
2. Increasing Participation	2.65	99%
3. Increasing Member Value	3.19	99%
4. Generating Traffic to the Website	4.81	97%
5. Brand Recognition and Awareness	4.72	96%
6. Prospecting New Members	3.69	93%

If the list were based on ranking alone, the order would be:

1. Member Satisfaction (1.71)
2. Increasing Participation (2.65)
3. Increasing Member Value (3.19)
4. Prospecting New Members (3.69)
5. Brand Recognition and Awareness (4.72)
6. Generating Traffic to the Website (4.81)

Club managers believe that member satisfaction is the most important goal of club communications while the prospecting of new members is the least important of the suggested criteria. Several comments on this question indicated that member education is a top goal of club communication platforms and would rank highly among the options listed here.



Q: HOW IMPORTANT ARE HIGH RANKINGS AS A COMMUNICATIONS GOAL?

More than eight in ten (84%) respondents indicated that maintaining a high ranking among key industry publications (such as Golf Digest, Golf Magazine, Golfweek, Scoregolf, etc.) is not one of their primary communications goals.

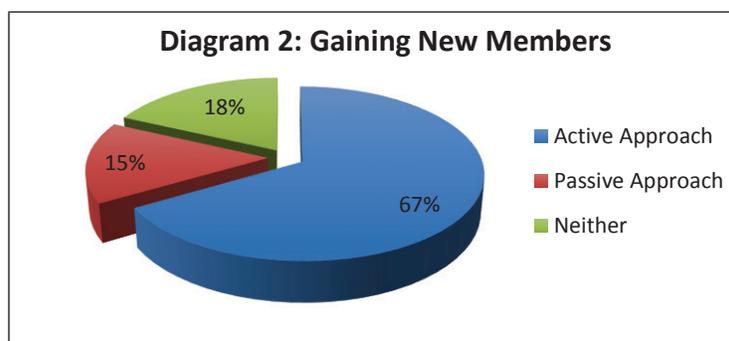


Q: HOW DO YOU GAIN NEW MEMBERS?

The survey asked participants to select one of the three descriptions below to describe their club’s approach to gaining new members:

- Active Approach - Target certain demographics based on tailored interests and promote the Club accordingly to desired segments. Encourage current member referrals, following up on each referral with information about the Club as well as an invitation to provide Club contact information for future updates.
- Passive Approach – Wait for prospective members to contact the Club.
- Neither – We do not pursue new members in any way. All membership prospects are referred to a membership committee (or equivalent).

Approximately two-thirds (67%) of respondents take an active approach to filling the membership pipeline, while 15% wait for prospective members to contact the Club, and 18% of clubs refer all prospects to a membership committee (or equivalent).

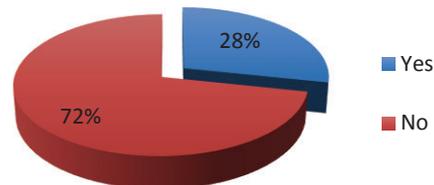


Q: HOW ARE NEW MEMBER LEADS AND PROSPECTS MANAGED?

Participants were asked whether their club uses a Contact Relationship Management (CRM) system to track and monitor new member leads and prospects.

Slightly more than seven out of ten (72%) respondents indicated that they do not use such a system.

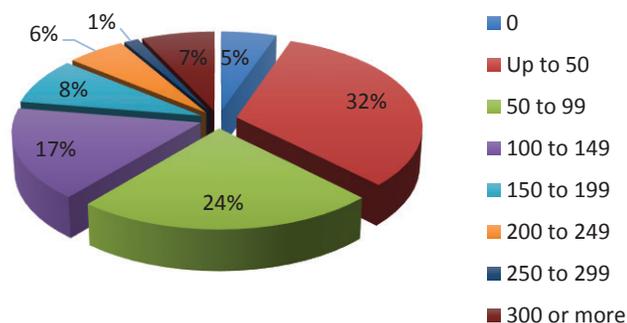
Diagram 3: Are New Leads Managed With a CRM System?



Q: PLEASE ESTIMATE THE NUMBER OF NEW MEMBER LEADS OR PROSPECTS YOUR CLUB COMMUNICATES WITH IN A YEAR.

The largest group of participants, slightly less than one-third (32%) of respondents, indicated that they communicate with up to 50 new member leads or prospects annually. The next largest group, roughly one-quarter (24%), communicate with 50 to 99 prospective leads each year.

Diagram 4: Number of New Member Leads or Prospects Per Year



On average, participating clubs communicate with 100 membership leads per year.

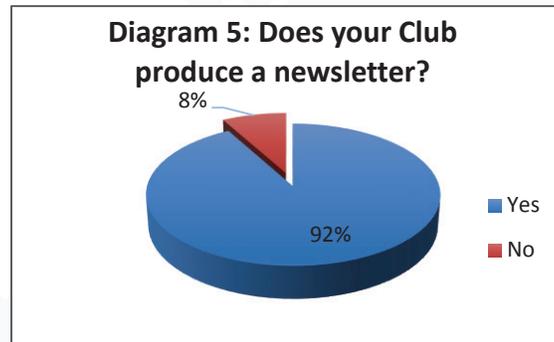
Q: HOW MANY MEMBERSHIPS HAS YOUR CLUB SOLD PER YEAR – ON AVERAGE – OVER THE PAST THREE YEARS?

Participating clubs indicated that an average of 49 memberships are issued or sold each year.



Q: DOES YOUR CLUB PRODUCE A NEWSLETTER?

More than nine in ten (92%) clubs produce a newsletter which communicates key happenings of the club and serves as an informational resource for members and guests.

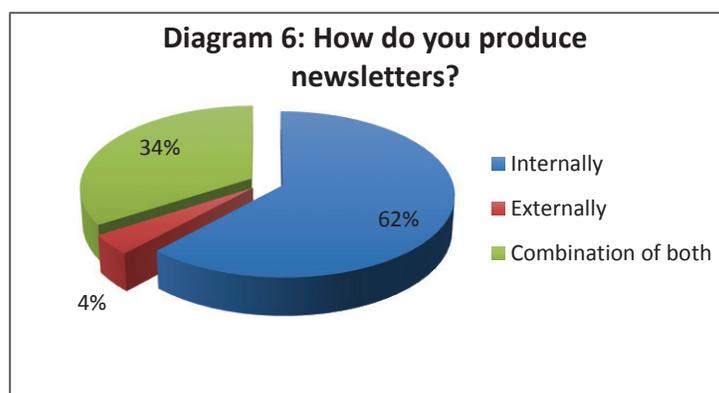


Q: HOW DO YOU PRODUCE NEWSLETTERS?

Survey participants were asked to describe how newsletters are produced at their club relative to three criteria:

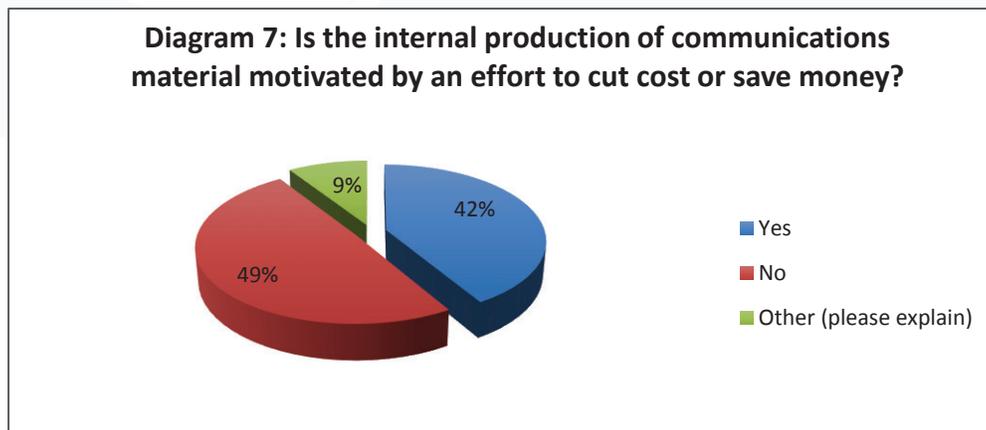
- Internally – We plan, create, and distribute the process within the Club.
- Externally – We outsource these efforts to a third party company.
- Combination of internal and external production efforts.

More than half (62%) of participating clubs reported that their newsletters are produced internally while approximately one-third (34%) coordinate internal newsletter production with a third-party. Only 4% of respondents indicated that they outsource their newsletters entirely.



Those who indicated that they produce newsletters internally were asked if the internal production of marketing or communications material is motivated by an effort to cut cost or save money.

Respondents were divided on this matter; roughly half (49%) indicated that this was not the case while slightly fewer (42%) confirmed this as the reason why their newsletter production is coordinated internally.



Those clubs that indicated ‘Other’ (9%) explained that in addition to cost savings, internal production allows for greater control and flexibility regarding production deadlines, timely delivery, and the capacity to implement last minute adjustments without drastically altering the production timeline.

Q: WHO IS MOST INVOLVED WITH THE CLUB’S NEWSLETTER DEVELOPMENT?

The survey asked respondents to organize various personnel based on their degree of involvement with the development of the Club’s newsletter with ‘1’ being ‘Most Involved’. Overall, General Managers are the most involved personnel, with almost all (98%) of General Managers indicating they are involved in some capacity. However, on the basis of ranking and degree of involvement alone, Administrators and Membership/Marketing Directors were rated as the most involved.

Chart 7: Newsletter Development – Most Involved Personnel

Personnel	Average Rating	% Involved
1. General Manager	2.19	98%
2. Administrator	1.81	89%
3. Membership/Marketing Director	2.03	78%
4. Club President	4.02	63%
5. Third party company	3.63	54%



If the list were based on average rating alone, the order would be:

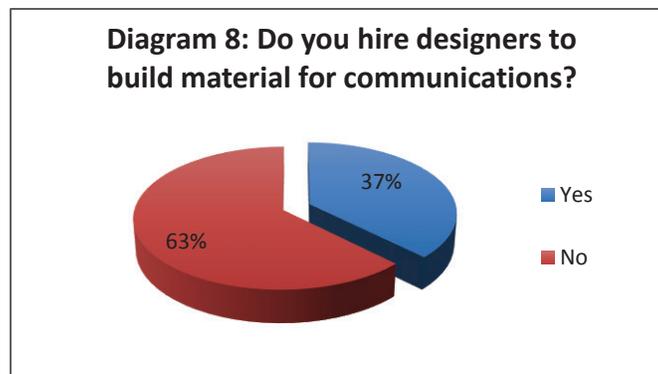
1. Administrator (1.81)
2. Membership/Marketing Director (2.03)
3. General Manager (2.19)
4. Third party company (3.63)
5. Club President (4.02)

Those inclined to comment on this topic (approximately 13% of respondents) provided explanations and insights that fall into the following general statements:

- Department Heads and various Managers are responsible for contributing monthly content by a certain deadline, which is then compiled by an administrator.
- Final oversight lies with the GM or COO.

Q: DO YOU HIRE DESIGNERS TO BUILD MATERIAL FOR COMMUNICATIONS?

More than one-third (37%) of participating clubs indicated that they hire designers to build material for communications such as photos, articles, infographics, newsletters, and brochures. However, the majority of clubs (63%) indicated that they do not hire designers.

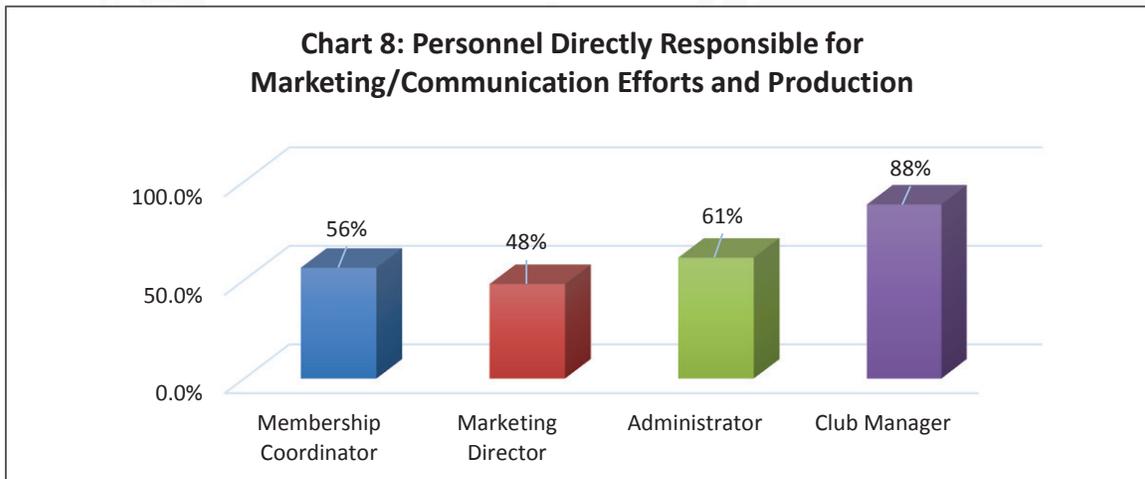


Q: PLEASE IDENTIFY ALL PERSONNEL THAT ARE DIRECTLY RESPONSIBLE FOR MARKETING AND COMMUNICATIONS EFFORTS AND PRODUCTION.

Administrators and Club Managers were most frequently cited as the roles which are directly responsible for marketing and communication efforts and production. It is

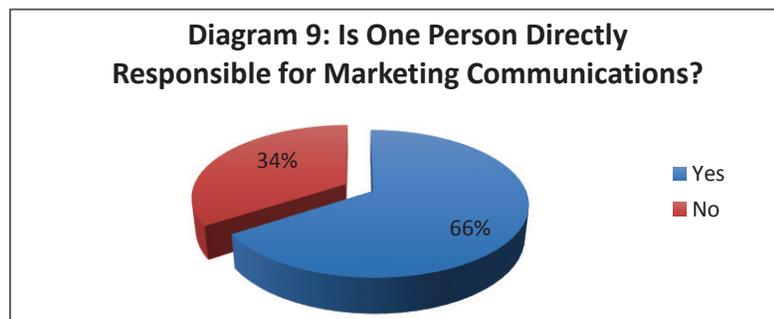


interesting to note that Membership Coordinators and Marketing Directors were identified with less frequency, which is likely due to fewer clubs employing this position.



Q: IS THERE ONE PERSON DIRECTLY RESPONSIBLE FOR MARKETING AND COMMUNICATIONS?

Approximately two-thirds (66%) of clubs have a single person that is directly responsible for marketing and communications.

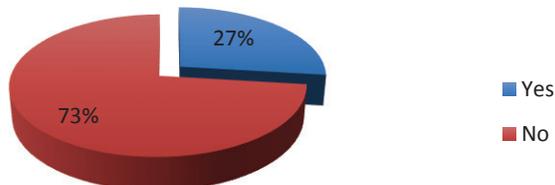


Q: DOES YOUR CLUB HAVE A COMMITTEE DIRECTLY RESPONSIBLE FOR MARKETING AND COMMUNICATIONS?

Slightly more than one-quarter (27%) of clubs have a committee that is directly responsible for marketing and communications while nearly three-fourths (73%) do not.

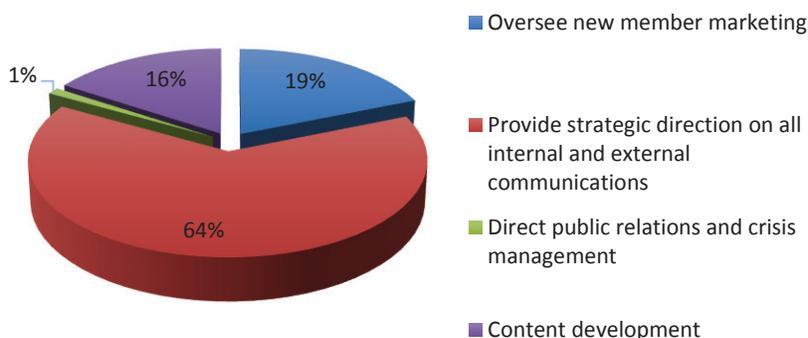


Diagram 10: Is a Committee Directly Responsible for Marketing Communications?



Of those clubs that utilize committees, nearly two-thirds (64%) indicated that the primary task of the committee is to provide strategic direction on all internal and external communications.

Diagram 11: Primary Task of the Marketing and Communications Committee

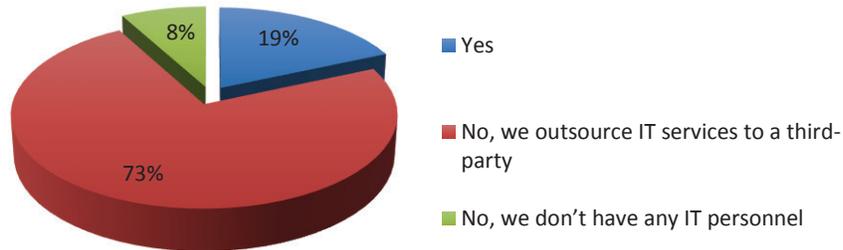


Q: DO YOU HAVE A CLUB-EMPLOYED INFORMATION TECHNOLOGY (IT) PROFESSIONAL?

Roughly three out of four (73%) participating clubs indicated that they do not have an IT professional and instead outsource these services to a third-party company. Approximately 8% of participants do not employ the use of IT personnel at all.

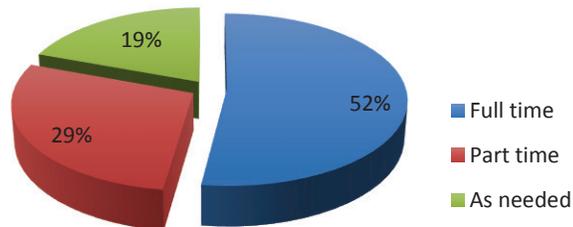


Diagram 12: Is There a Club-employed IT Professional?



Of the clubs that employ an IT professional, more than half of them (52%) employ this person full-time, 28% part-time, and 19% as needed.

Diagram 13: Extent of IT Professional's Involvement



The survey asked participants to identify all of the activities for which their IT professional is responsible. These activities are summarized in Chart 9, below.



Chart 9: IT Professional Responsibilities – Activities

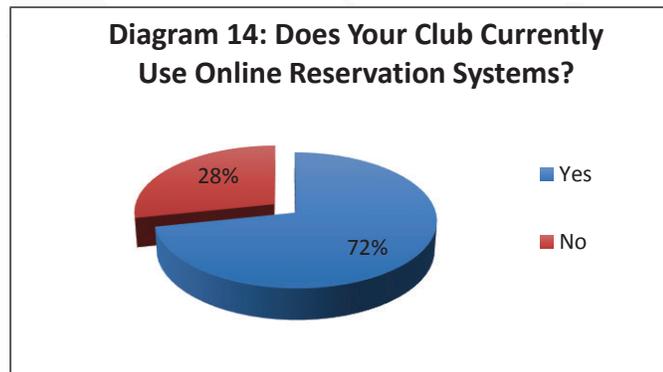
Activity	Response %
1. Desktop software support – anything involving wires and computers	96%
2. Specializes in the administration and maintenance of computer network	92%
3. Equipment purchasing and support	91%
4. Specializes in the facilitation and execution of an interactive website	56%
5. Online reservations, e-marketing/e-communications	41%
6. Social networking, business intelligence or data-mining – anything related to member intelligence and correlated communications	32%

Q: DOES YOUR CLUB CURRENTLY USE ONLINE RESERVATION SYSTEMS FOR TEE-TIMES, COURT TIMES, OR CLUB EVENTS?

More than seven out of ten (72%) participants indicated their club uses online reservations systems.

Participants that responded affirmatively to this question were asked to identify which systems they use for reservations and event organization. The top six most frequently mentioned systems were the following:

1. ForeTees
2. Jonas
3. Club Essential
4. Clubsoft
5. MembersFirst
6. Northstar



Q: WHAT IS THE PRIMARY GOAL OF THE ONLINE RESERVATION SYSTEM?

Participants were asked to organize the following goals of the online reservation system with '1' representing the 'Most Important' goal. The most important goal of this system, both by overall percentage of importance and average ratings, is to increase the accessibility to members.



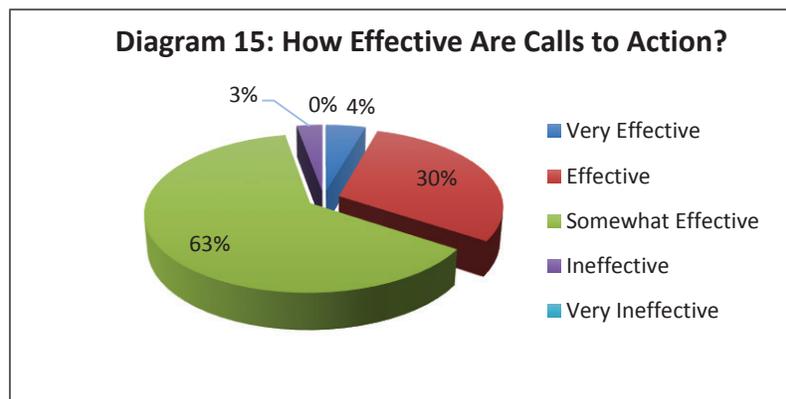
Chart 10: Online Reservation System – Most Important Goal

Goal	Average Rating	% Important
1. Increase accessibility to members	2.00	96%
2. Increase participation in club events	2.17	94%
3. Improve logistical/operational efficiency in relation to event planning	3.12	92%
4. Drive traffic to website	3.83	90%
5. Increase yield management and utilization	4.40	86%
6. Coordination of staffing and hours of operation	4.96	84%

Q: DOES YOUR CLUB IMPLEMENT ‘CALLS TO ACTION’ IN MEMBER COMMUNICATIONS?

A call to action is an instruction to members intended to provoke an immediate response, usually using an imperative verb in a phrase such as ‘call now’ or ‘sign up tonight’. Seven in ten (70%) participants indicated that their club regularly includes calls to actions in member communications.

The majority of this group (97%) indicated these calls to action are effective; only 3% believe them to be ineffective.



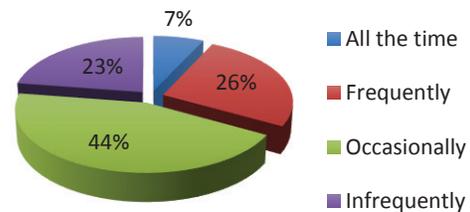
Q: DOES YOUR CLUB POLL MEMBERS?

Polls are different from surveys in that they ask a single question acutely focused on a specific area of club operations. Slightly more than two-thirds (68%) of respondents informed that they do not poll their members.



Out of the group that does poll members, most (67%) indicated that they do it either occasionally (44%) or infrequently (23%).

Diagram 16: How Often Do You Poll Members?



Q: WHAT IS THE GREATEST CHALLENGE FOR COMMUNICATIONS AND MARKETING AT YOUR CLUB?

Survey participants were asked to identify the greatest challenge for communications and marketing at their club by organizing the following challenges in order with ‘1’ being ‘Most Challenging’.

Chart 11: Marketing and Communications – Greatest Challenge

Challenges	Average Rating	% Response
1. Consistency – Frequency, or how often communications are delivered to members	2.54	86%
2. Developing fresh content	3.13	86%
3. Visual appearance of materials – design and content building	3.19	84%
4. Logistics or production management – the actual execution and development of communications materials	3.45	84%
5. Timeliness – Relevance, or how quickly a message is delivered to members based on time and relative interest	2.07	83%

If the list were adjusted to be based on average ratings only, it would appear as:

1. Timeliness – Relevance, or how quickly a message is delivered to members based on time and relative interest (2.07)
2. Consistency – Frequency, or how often communications are delivered to members (2.54)
3. Developing fresh content (3.13)
4. Visual appearance of materials – design and content building (3.19)

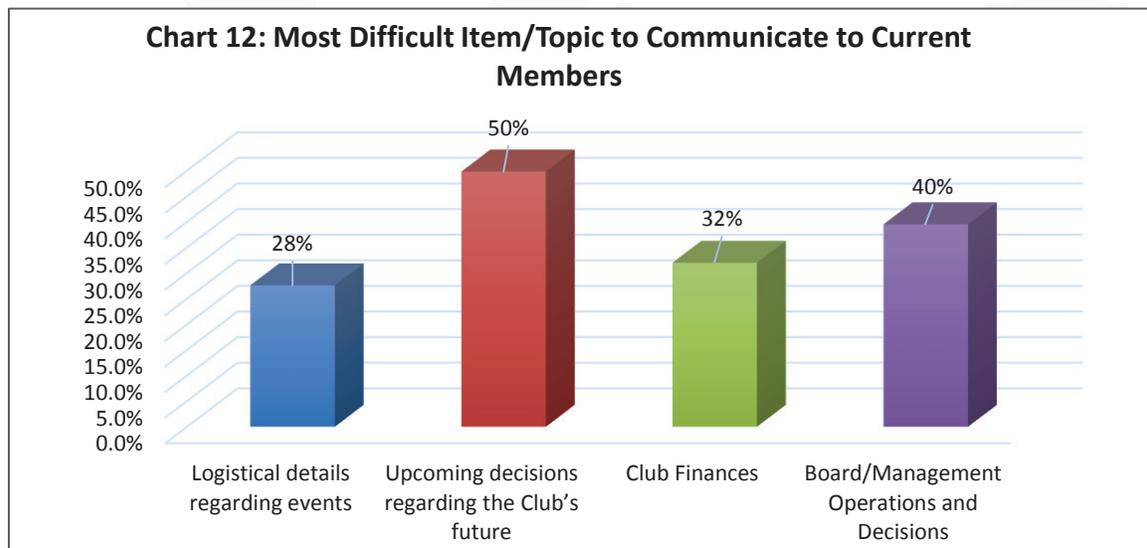


5. Logistics or production management – the actual execution and development of communication materials. (3.45)

The two greatest challenges facing marketing and communications at participating clubs are the consistency and timeliness of communications. The two most popular comments for this question related to a) getting members to read the information delivered to them and b) segmenting this information to the right targets.

Q: WHAT IS THE MOST DIFFICULT ITEM/TOPIC TO COMMUNICATE TO CURRENT MEMBERS?

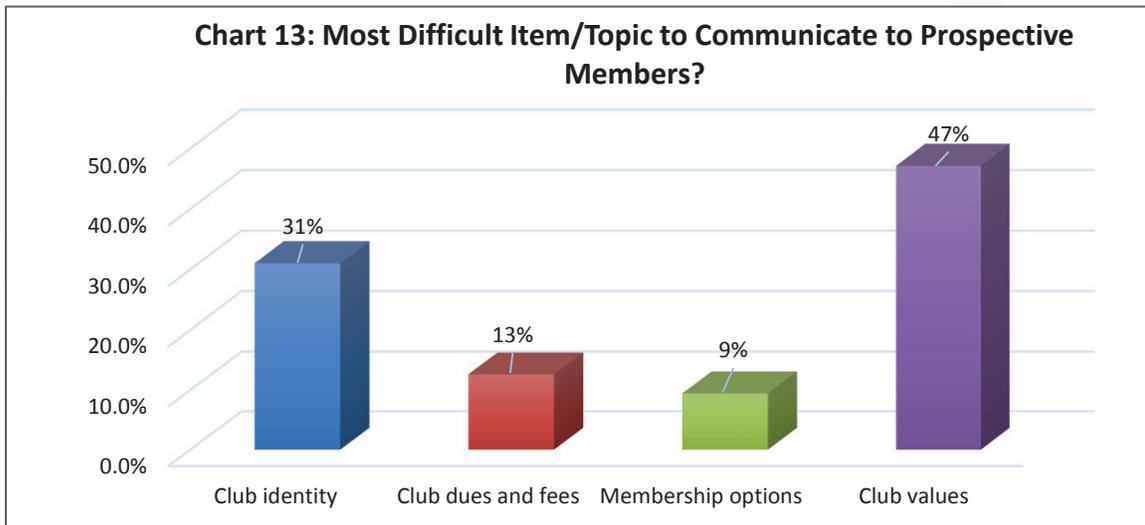
The most difficult item or topic to communicate to the current membership are upcoming decisions about the club’s future (50%) followed by explanations of the Board and Management’s operations and decisions (40%).



Q: WHAT IS THE MOST DIFFICULT ITEM/TOPIC TO COMMUNICATE TO PROSPECTIVE MEMBERS?

Participating club managers indicated that the most difficult item or topic to communicate to prospective members relates to club values (47%) followed by club identity (31%).





Q: HOW WOULD YOU DESCRIBE YOUR CLUB'S UNDERSTANDING OF RULES AND LAWS GOVERNING COMMUNICATIONS TO NON-MEMBERS OF PRIVATE OR NOT-FOR-PROFIT ORGANIZATIONS?

Survey participants were asked to describe their understanding of such rules and laws based on the following four options:

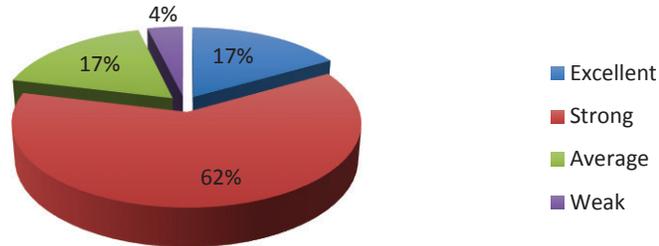
- Excellent – We have 100% understanding of rules, laws, and how our communications and Club brand function in relation to these rules.
- Strong – We have a solid understanding of the rules and laws related to our organization.
- Average – We know what we can't do and say, and are less than confident about what we can do and say.
- Weak – We know that Private or Non-For-Profit organizations cannot market or advertise to non-members, and we are careful to follow this rule rather than market/advertise.

The majority of respondents (62%) indicated that they have a strong understanding of regulations impacting their marketing and communications platform.





Diagram 17: Rules and Laws Governing Communications to Non-members of Not-For-Profit organizations?



An impressive eight in ten (79%) clubs have either an excellent or strong understanding of regulations impacting their club's marketing and communication platform.

Thank you for reading and please do not hesitate to contact us with any questions.

THE END





ABOUT GLOBAL GOLF ADVISORS

Global Golf Advisors provides highly specialized consulting services to the international golf, private club, real estate, resort, and investment communities. Headquartered in Phoenix (US), Toronto (Canada) and Dublin (Ireland), GGA offers its services in five strategic categories: i) Corporate Strategy, Financial Engineering and Transaction Advisory, ii) Asset Management, iii) Performance and Operations Consulting, iv) Club Membership Programs & Solutions, and v) Strategic Marketing and Business Planning. The firm takes a 360-degree view of financial, management and operational issues before developing a strategic plan that establishes benchmarks for success and identifies potential outcomes of recommended actions. In its 22-year history, GGA has consulted on more than 2,300 golf-related projects worldwide. For more information, please visit www.globalgolfadvisors.com or call 1.888.432.9494.

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