

# Combat declining membership with new tactics

**M**embership at private clubs has been faltering since the new millennium began, but a refreshed look at what draws members could help clubs increase membership, says Candice Clemenz, Ph.D., of the Pamplin College of Business at Virginia Polytechnic Institute and State University.

Clemenz conducts and analyzes research about country club and golf club memberships and gives presentations about increasing membership. The challenge for golf and country clubs is facing more competition.

"The challenge for clubs as they entered 2000 was that they were competing with more and better competition that frequently had a financial edge, and the total market size was the same as pre-1990 because the forecasted increase of the number of golfers didn't materialize," she says.

At the turn of the 20th century, 80 percent of golf courses were private, and there was a significant difference in the quality of play between private and public courses, Clemenz says, adding it wasn't until 1990 that daily-fee courses became a significant rival for private clubs. It was during the 1990s that an increase of golfers was predicted,

and in response, many high-end, daily-fee golf courses were built.

Clemenz cites a McMahon Group study of country/golf club owners that shows only 17 percent of respondents had more memberships in 2003 than in 2001, where 44 percent reported having fewer members in 2001, and 39 percent reported their memberships to be about the same in 2003 as 2001.

Clemenz conducted research, published in 2006, about waiting lists in private clubs. Usually, the lists are established so private clubs don't exceed the capacity of their facility or as a way to create exclusivity. Waiting lists usually are an example of the popularity or success of a club.

The study, based on responses from 163 CMAA members, states 31 percent of country clubs had waiting lists. In 2000, a survey performed by accounting/consulting firm Pannell, Kerr, and Foster states 84 percent of country clubs had waiting lists.

According to Clemenz's study, clubs with waiting lists were between 50 and 100 years old, were member owned and tax exempt. Clubs with larger memberships (between 1,000 to 3,000 members) were more likely to have waiting lists, as were clubs

with gross revenue exceeding \$5 million.

"This seems to say the more contemporary clubs have been unable to capture the same foothold in their communities as clubs that weathered the depressions and world wars of the early and mid-1900s," she says.

Contemporary clubs that struggle can boost membership and compete by learning more about potential membership demographics and learning to cater to them.

"A growing number of clubs are employing a membership director or director of members services to focus on membership matriculation by assisting members with the process of sponsoring new members," Clemenz says.

Clemenz suggests membership directors or others at clubs take advantage of resources including the Professional Club Marketing Association and the CMAA, which can provide membership marketing training and information.

Other suggestions include:

- Communicate competitive advantages, which could include creating community, establishing relationships or providing a safe haven away from home;
- Join the growing number of clubs catering to the needs of the entire family, especially children;
- Evaluate pricing structures and consider creating new (and often less expensive) categories to entice nontraditional demographic segments; and
- Offer incentives for members to sponsor new members and/or encourage prospective members to join the club.

— Heather Wood



**THIS IS A  
PRIVATE  
MEMBERS  
CLUB**

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**CLUB MEMBERSHIP DURING THE PAST 10 YEARS**  
A CMAA 2007 operations report shows the average number of club memberships

|                      | 2007 | 2004 | 2002 | 2000 | 1998 |
|----------------------|------|------|------|------|------|
| <b>Golf clubs</b>    | 442  | 513  | 509  | 457  | 551  |
| <b>Country clubs</b> | 734  | 697  | 690  | 688  | 670  |