

Course conditions, functions, marketing and staff are keys to a profitable business

BY BOB SELIGMAN

Here's a recipe for making golf course owners happy:

Take a well-conditioned golf course, preferably with a playability level that will make golfers want to return. Add a clubhouse facility that can handle bottom-line stimulators such as outings, weddings and other appropriate functions. Throw in a food-service operation that provides more than the basics like hot dogs and burgers. Mix in the importance of keeping the facility fresh and inviting, along with having the proper amenities to continually attract new members. Top all that with satisfied golfers who are glad they've come to the facility and not somewhere else.

"The most important thing to me is that people enjoy themselves when they come," says Joe Hills, managing member of Blue Mash Golf Course in Laytonsville, Md., and Waverly Woods Golf Club in Marriottsville, Md., two upscale public courses.

Having excellent course conditions goes a long way toward that end. Hills says course conditioning is the No. 1 thing, and it's extremely important to golfers, particularly when attracting new players.

"It's word-of-mouth advertising regarding what kind of shape the course is in," he says. "Customer service is important, but if you had to choose one or the other, I would choose maintenance over anything else."

The most important asset of the private Cape Girardeau (Mo.) Country Club is the golf course, says Don Staples, managing trustee of the club.

"Without that, the rest of the stuff would mean very



Many owners rank the golf course and its condition as the most important aspect of a golf facility's success.

owners' needs

FACILITY OPERATIONS

A clubhouse that can properly accommodate various social functions allows a golf facility to generate additional revenue aside from the golf course. Photo: Winchester Country Club



little," he says.

With any golf course, there should be a conditioning level that people look for, says Jim Scott, golf director at Gull Lake View Golf Club in Augusta, Mich. Gull Lake View owns five 18-hole courses at three different facilities within a 12-mile radius in southwest Michigan. Scott says fairways should be cut at a good height, yet greens don't have to read 12 on the Stimpmeter – eight or nine is enough. Courses also have to have fairly smooth putting surfaces, and the rough can't be so tall people can't find their balls.

"You should be able to play without losing two dozen golf balls because the grass is so long," Scott says.

Course renovations also can please course owners, even when they come in the face of adversity. Cape Girardeau is located right next to the Mississippi River. Flooding put the course under water twice in two years during the mid-1990s. After the second episode, Staples knew the club would be in trouble if it didn't do something dramatic, especially

because the course was closed for three to five months both times. He put together a drive to change and raise the affected holes.

"It ended up to be the best move we ever made," Staples says. "It modernized the golf course and the greens, fairways and tee boxes. It caused a lot of excitement for several years. Two years after we opened up again, it was the largest membership we've ever had."

Cape Girardeau, like many other clubs, has a good superintendent who helps meet its goals for the facility.

"I see the superintendent, Mike Fitzgerald every day at Blue Mash, and I'll be out on the course at least once a week," Hills says. "It's been a constant thing of improving the golf courses. We're always adding new drainage, adding tree work, improving the turf, working on bunkers. We're always going at it every year."

HOSTING VARIOUS EVENTS

Excellent course conditions set the stage for making golf course owners happy, but adding

to the bottom line by hosting outings, weddings and other social functions is another source of business. But in order for the cha-ching to sing, one has to work at it. It's not only having a clubhouse or facility that can properly accommodate various functions, it's making sure the facility is aesthetically pleasing.

Some clubs, such as Cape Girardeau, might completely renovate the clubhouse with new bars, chairs, furniture, carpet and a paint job. Blue Mash's annual initiatives to improve the clubhouse include the recent completion of a new locker room and installing a plasma TV behind the bar.

The corporate outing business also is important for Gull Lake View, Scott says.

"We try very hard to promote those outings," he says. "It gets into a bidding war sometimes. We'll put our bid in, and we'll try to sell our golf course on the fact that we can provide them with better entertainment value for the dollar than the golf courses that might underbid us. We're professionals. We have good equipment, a good building, a good staff.

FACILITY OPERATIONS

With a higher-end food-and-beverage operation, a golf facility has the potential to generate more revenue from outings. Photo: Contraband Bayou Golf Club at L'Auberge

We know how to do it.”

But clubs like Blue Mash might also elect to stay within a smaller operating or capital expenditure budget, which is good and bad, especially when trying to attract more outings to the facility.

“We have relatively modest clubhouses compared to other clubhouses in the area, and our food-and-beverage operations are pretty simple,” Hills says. “That’s just how things have evolved for us. We don’t have the expertise to do more of a higher-end type operation. Unless you’re really good at it and can have someone that can really focus on it, your bottom line gets hurt. With a better food-and-beverage operation, if it’s done right, we can make a lot more money on outings. It requires a certain amount of expertise, which we’re bringing in.

“If you have something nice and clean and decent for the daily-fee golfer, they’re happy with that, and they focus more on their experience on the golf course,” Hills adds. “We lose an outing here and there to clubs that have more ambiance in their clubhouse, but in terms of what happens to the bottom line, what we’re doing is pretty good.”

Promoting business is important for a golf facility, particularly in difficult economic times. As Scott says, every round of golf in today’s market is important to every golf course owner. Particularly in an area like his, which has been affected by the exodus of local manufacturers and the diminishing auto supply and manufacturing business in Michigan. However, Scott says Gull Lake View is holding its own.

“In 2006, we were level with 2005, maybe



a touch above it,” he says. “The economy is starting to show some signs of recovery. I’m still bullish on the golf market.”

Gull Lake View, which promotes itself as a golfing destination and puts together golf packages for out-of-town golfers, works hard marketing itself to major metropolitan areas within a five-hour driving radius, including Detroit, Chicago, Indianapolis and Toledo.

WELLS FARGO FINANCIAL

Flexible

Structuring Cash Flow Solutions For All Your Needs

We are committed to offering comprehensive management solutions, backed by levels of service that exceed expectations again and again. Our innovative approach to the golf and turf industry allows you to package equipment with multiple lease types and terms – regardless of the manufacturer.

Wells Fargo Financial Leasing, Inc.

You customize your fleet, we customize your lease.

Golf & Turf Division

877.226.1466

www.golfcourseindustry.com/readerservice - #46

GOLF COURSE INDUSTRY

Let us help you get
the
WORD OUT.

Golf Course Industry provides a cost-effective, high impact way to promote your company’s products and services. Our professionally designed article reprints can be used as direct mail pieces, sales literature, training aids or trade show hand-outs. For even more targeted marketing, add your customized advertising message, logo, mission statement or other valuable company information.

ARTICLE REPRINT SERVICE

Call Megan Ries at
(330)601-0350 to learn more.



The marketing includes a Web site, www.gulllakeview.com, and exhibiting at golf shows within driving distance of that area.

"We'll do them individually as a destination, and then we do them with a co-op that we're part of in Battle Creek with other golf courses and lodging facilities so we can market for the traveling golfer," Scott says.

RETAINING MEMBERSHIP

Private clubs are also striving for new members while doing what they can to retain members.

"There's a continuing battle every year to keep membership up," says Staples, who has seen his membership drop slightly to 380 members from 425 members. "The lifeblood of a country club is the dues, and if you don't have the dues, you don't have a country club very long."

Normal attrition will happen and isn't always preventable, but clubs are trying to avoid many resignations, says Bill McMahon, chairman of The McMahon Group, a consulting firm based in St. Louis that tracks the private club industry.

"The best way we find for retaining members in clubs is just making sure you're providing everything you're supposed to do at a high-quality level that's good quality for the cost of membership," he says.

Cape Girardeau is taking a proactive approach to increasing membership. The club encourages its members to become involved in a spring membership drive. They benefit from this involvement because the drive helps keep the dues at a more reasonable level than if they were ignored, Hills says. That resulted in 36 new members last year. A consulting firm, Graves Associates of Manhattan, Kan., has helped the membership become more involved in several of the drives.

"If the members don't get involved, we can't advertise and things like that," Staples says. "Other than direct mail to an individual, we can't run ads in papers because of the structure of our club."

Attracting younger members is a key to strengthening a club's membership. Cape Girardeau is enticing people age 25 to 35 with families by offering them full memberships with a low initiation and lower dues structure. When they reach age 35, they pay full-membership prices.

"Probably the thing we need the most is to attract young people," Staples says. "That's where our nemesis is. Our weakest point is not attracting enough young people. The reason is that our pool facility needs to be torn out and a new junior Olympic pool needs to be put in."

A PROVIDER

Club owners say there are other things they want and need from their golf facilities – a PGA Class A golf professional, for example. So is having a professional and courteous staff that knows the value of customer service. A well-stocked pro shop helps attract golfers, especially when outing organizers are looking for quality goods when they hand out gift certificates to participants. A neat cart area is important, too.

Scott sums up what he expects from the golf facilities he owns.

"What we want out of our golf courses is to provide us with a steady income that we can live on," he says. "We've been able to do that. We've been profitable enough to maintain a lifestyle and raise our families and educate them and bring them along in the world. We've provided our employees with stable and fairly good benefits, and we're providing the community with an entertainment opportunity to play our golf courses for recreation and exercise and all the things they play golf for." GCI

Bob Seligman is a freelancer writer based in Suffren, N.Y. He can be reached at bhseligman@aol.com.

Wildlife Control

Effective and humane
bird and animal control
systems from Nixalite®

- Deer Blocker Deer Fencing System
- Safe, Non-toxic Goose Repellents
- Nuisance Bird Barriers & Repellents
- Non-Lethal Mole Control Products
- Climbing Animal Barriers
- Snake Management Systems
- Rodent Traps & Repellents
- Wildlife Barriers & Repellents
- Secure Online Ordering 24/7

Free Catalog

Visit www.nixalite.com
Call 800.624.1189

57
Years
1950 - 2007



Nixalite® of America Inc
1025 16th Ave, Dept GCI, East Moline, IL 61244