



## RENEWED HOPE

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It's that time of year again! For the vast majority of clubs in the UK, membership renewal falls between November and April. It has always been an administrative headache but now it is taking on even more importance as a barometer of just how well your golf club is performing.

In the heady days of waiting lists and joining fees, there wasn't the sense of urgency if a few members decided not to renew. Send out a letter to that waiting list and problem sorted. Not any more. In my recent tour of England Golf Marketing workshops around the country, clubs were regularly reporting around 10 per cent of their membership did not renew from one year to the next. On an average membership of 600, that is 60 members and multiply that by an average fee of £650 and that is a major financial hole.

So what do you do? 'You' tends to be the club manager, as you have the unenviable task of reporting the news back to committee and then dealing with the inevitable question of "what do we do now?"

In true Dad's Army fashion, the answer is firstly: "Don't panic Captain Mannerling!" Tempting though it may be to think up a few knee jerk solutions in the absence of any waiting list, those actions may well come back to haunt you. Follow these few simple steps and whilst the problem won't be transformed overnight, you will be well on your way to proactively dealing with what is becoming an inevitable fact of golf club life.

### Know why members are leaving

I call this the leaky bucket syndrome. It is no good spending time and money working on your member recruitment programme if you don't know WHY your members are leaving. Every club MUST conduct exit surveys with its leaving members for two reasons:

1. You can find out what the problems and issues are and hopefully start to resolve them for incoming members;
2. It may well be possible to present that exiting member with an alternative solution to persuade them to stay.

For example, a frequent reason you will hear is, "I don't have the time to play enough to justify my fees." It is something that is becoming increasingly common and that is why more and more clubs are introducing adaptable membership subscriptions.

These can take many forms – a reduced annual fee and people pay as they play; a reduced annual fee but restrictions on when people can play such as weekend mornings; a lump sum up front to pay for a certain number of rounds and then an opportunity to top up once they have all been used. You will find that the yield per round is far more profitable.

These types of membership undoubtedly take more managing but if they present a persuasive solution to exiting members then this is a much easier option than finding 60 more new people to fill their shoes.

One concern golf clubs have when introducing different levels of membership is that suddenly everyone else will want to transfer to them.

The important factor here is how they are communicated. The benefit of full membership must always outweigh that of any other levels including preferential tee times, guest fees, access to competitions, tickets for over-subscribed social events – any benefits you can think of. Importantly, they will only appeal to those people already seeking other alternatives and you can place all sorts of restrictions on them – time frames, number limit – real or imaginary.

### **Joining fee, no joining fee ...**

If a golf club is facing a membership renewal crisis, one reaction has been to abandon the joining fee in order to tempt new recruits. Whilst this could well be an option in your area, based on your competition, it is still something that requires careful thought.

Although it is lazy to rely on a hefty joining fee to keep members on board (something many clubs have been guilty of in the past), there is no doubt it does engender more loyalty and commitment to a club. Clubs that have removed the joining fee have found that their renewal rate can plummet and that the following year people vote with their feet – often to the club down the road which also has no joining fee. That just creates massive churn, a less stable membership base and even more of a financial headache down the line.

However, the thought of an annual subscription plus several hundred pounds joining fee on top can be off putting to people. The secret is to get creative, remove the psychological barrier but not abandon it entirely. One successful trick is to waive or reduce the joining fee for members introduced by members through a member referral programme. Or waive the joining fee for one month only – and be prepared to stick to it. Or limit it to the first 20 people through the door. If family members join together, give them a hefty discount on the fees. One other popular option is to spread the joining fee over a number of years – no more than three.

Sit down, come up with a few options and you can use a mix with your membership recruitment strategy at various times throughout the year rather than simply dropping it completely.

### **To renew or not renew, that is the question**

One question I am often asked is when is the best time to get members to renew their golf club membership. Once again, many clubs are stuck in the cycle of renewal between November and April. While April is not too bad – at least they can see the season stretching out before them, I would have to say that January is the worst time of all.

They have probably gone two or three months without playing; the weather is still poor with temporary greens the norm. They are still paying for Christmas so money is tight – and they get a bill for £700 plus through the door. No wonder they start to question whether its value for money.

Once again, changing your renewal cycle does take some planning and effort but it may well be worth it. The best time is when the playing season is busy, but not nearing the end – they should be using their membership and are less likely to question whether its value for money.

### **Help, we need new members fast!**

Whilst membership retention is key and should be on the top of any club's agenda, every golf club has places of to fill – some more than others.

Recruiting new members is inevitable but tough and once again, starts with your easiest audience – your existing members!

Word of mouth is the best sales tool there is and hopefully you will have a few hundred happy members willing to spread the word. To do so they need the tools and this is where a membership referral programme can help.

You don't have to paint a picture of doom and gloom. It is their golf club and everyone has a part to play in its future. Explain the benefits of keeping their fees down, having money to improve facilities and stressing there will be no effect on the access to the golf course.

Here are seven steps to a simple membership referral programme:

1. Programme announcement – send a letter to members, explaining the programme, how they can support it and what they need to do. Put the information on the website, on the notice board and keep communicating it.
2. Building the list – the club should start a prospects list which should combine the enquiries the club receives – names, address, telephone number and how their interest arose. Give members a proposal card on which they can put down the names of people they feel may be interested.
3. Make the offer – and make sure it's a good one. (No joining fee?) Get creative. Remember this is an offer by your members to their family, friends, and business colleagues. Give them a reason to promote it.
4. Showcase the club – invite people to a guest day with their introducing members. Waive the guest fees, put on a simple buffet, and make sure a few committee members are on hand to answer any questions. Send them away with a well presented letter and application form.
5. Follow up – a few days after the event send another offer letter formally inviting them to join. Don't be afraid to ask for the sale. Write the letter in a way that demands a reply. Make sure the introducing member knows where they are in the cycle.
6. Review your list – not everyone will say yes immediately but keep in touch. They should receive your monthly newsletters and the occasional special green fee offer.
7. Start all over again! – You need a steady supply of referrals so keep reminding your members of THEIR referral programme, what a great offer it is. Don't wait until membership renewal time comes around. It may be too late!

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