Golf Queensland

More People Playing More golf

A Study into Membership Attrition and Retention at Golf Clubs in Queensland - September 2009


Golf
Queensland

As the peak body for golf clubs and district associations in Queensland, Golf Queensland is pleased to present the first study of attrition and retention of golf club membership conducted within Australia.

The study is part of an overall objective of Golf Queensland's strategic plans to assist clubs improve and retain membership levels.

This objective is of growing importance as it is very apparent that, like other States of Australia, Queensland golf clubs have generally been experiencing a slow decline in membership numbers over a number of years.

Golf Queensland has determined that a proactive stance should be taken to meet this challenge and this study was commissioned to take the important first step in developing an understanding of the membership participation dynamics in Queensland.

As well as raising awareness of such trends, the study report provides practical strategies that can be used by clubs to improve membership retention.

It should be noted this material is intended as a starting point and not an end in itself.

We hope the study's findings and recommendations will be used at the club committee or management level as a stimulus for discussions on how the individual club can better address the membership challenge.

Golf Queensland will also follow up with the development of other resources and the sharing of information at various forums. I commend the report to all golf club and district administrators.

Lindsay Ellis

CEO
Golf Queensland

Report Background

Introduction

As the golf industry faces a myriad of wider challenges in the early 21st century, demand for golf club membership in Queensland is currently in decline. Notwithstanding the importance of generating new member demand, in the current economic climate, membership retention in golf clubs is now equally as important.

Actively developing strategies to reduce membership attrition will offer the industry some protection as adult lifestyles change to meet the demands of modern living. Developing such strategies may also negate any slowdown in state population growth and associated new member demand.

Should membership attrition rates be reduced, all parts of the golf industry will benefit as the industry truly capitalises on the underlying new demand for golf club membership that does currently exist.

As the revenue stream to Golf Queensland from future member capitation fees increases, more funds will be available to further develop golf in the state of Queensland.

In order to make a positive impact on retention and reduce attrition, the respective retention and attrition rates currently and historically evident in the market must first be established.

Golf Queensland has therefore engaged Jeff Blunden Advisory Services (JBAS) to undertake such a study so that these numbers can be identified, as well as providing a number of strategies which will aid in the greater retention of club members across Queensland.

Once this detail is established, Golf Queensland will be better equiped to assist clubs to develop their own strategies in the area of membership retention.

Scope of Works

The following scope of works was undertaken in the delivery of this report:

- Analysis of current and historical membership data provided by Golf Queensland.
- Analysis of the new member numbers recorded per club, by gender for the period 2005 to 2008, as provided by Golflink.
- The joint analysis of both datasets to determine by club, by gender and by region, the attrition rates historically recorded at clubs in Queensland.
- The development and delivery of an on-line club survey, which sought from each club in Queensland information about the retention strategies currently employed at their clubs.
- The development and explanation of a number of strategies which will aid in the greater retention of members across Queensland.

Contents

Historical Population and Club Membership Trends

Demand for any product or service is a factor of the market that can potentially consume it. In the golf industry's case, demand for golf club membership is therefore a factor of the size of the local population that services a club.

Given this natural link, a review of total population numbers and the movement seen in the Queensland market is appropriate as it assists in putting club membership numbers and trends into a wider market context.

The state of Queensland has enjoyed considerable population growth in the past thirty years. Government records show that total population in the state has grown by nearly 110% since 1976 and is currently estimated at 4.35 million people.

Since 2001, growth of 20% has been recorded, largely fuelled by overseas migration and natural population increases. As a result the average annual population growth rate of 2.5% is a whole percentage point higher than the national average over the past 10 years.

Estimated Queensland population at 31 December 2008:

Queensland	4,349,500
Australia	21,643,900
Qld share of national population	20.1%

Population growth (12 months to 31 December 2008):

Queensland	2.5%
Australia	1.9%
Qld share of national growth	26.3%

Queensland components of population increase:

	12 mths to Dec 2008	% of growth
Net overseas migration	49,700	46.6
Natural increase	35,800	33.5
Net interstate migration	21,200	19.9
Total	106,700	100.0

Population Growth

Analysis of population data reveals that the population level in the south east corner has grown by 17% since 2001, slightly above the wider state growth rate of 15% over the same period.

It is more than double that of the inland regional area, where a 7% increase in population has been recorded since 2001. Results by region are summarised in the following table.

Region	2001	2007	% Change
Metropolitan *	1,629,133	1,856,966	14%
Other South East	1,126,598	1,343,903	19%
Total South East	2,308,888	2,695,601	17%
Regional – coastal	970,207	1,111,362	15%
Regional – inland	349,851	374,468	7%
Regional – Total	1,320,058	1,485,830	13%
Total	3,628,946	4,181,431	15%

Source: ABS; Regional Population Growth, Australia, Cat. No. 3218.0 (1996 to 2006); Population by Age and Sex, Regions of Australia, Cat. No. 3235.0 (2007).
Note *: Metropolitan region is defined as Brisbane Statistical Region

The specific government statistical areas with the higher levels of growth within each of the regions areas follows:

• Other SEQ:	Gold Coast	+24%
	Sunshine Coast	+23%
• Regional Inland:	West Moreton	+13%
• Regional Coastal:	Mackay	+19%
	Far North	+13%
	Northern	+13%
	Far North	+13%
	Fitzroy	+12%

Population Distribution

The south east corner of Queensland now accounts for over 75% of Queensland's total population. In the past ten years this geographic mix has changed only slightly with the south eastern segment mix growing by approximately 2% points.

This has been driven by growth in non metropolitan areas, and the regional mix has declined by the same amount.

This growth has resulted in the following geographic distribution of Queensland's population base.

Geographical Distribution

- **Metropolitan** 44%
- **Other SE QLD** 32%
- **Regional Coastal** 20%
- **Regional Inland** 3%

SOURCE: ABS; Regional Population Growth, Australia, Cat. No. 3218.0 (1996 to 2006); Population by Age and Sex, Regions of Australia, Cat. No. 3235.0 (2007)

Key Points - Population

› Population in the state has grown by nearly 110% since 1976 and is currently estimated at 4.35 million people.

› Since 2001, growth of 20% has been recorded largely fuelled by overseas migration and natural population increases.

› The average annual population growth rate of 2.5% is a whole percentage point higher than the national average over the past 10 years.

› Population in the south east segment has grown by 17% since 2001, slightly above the wider state growth rate of 15% for the same period.

› The inland regional areas have recorded a 7% increase in the population base since 2001.

› The south east corner of Queensland now accounts for over 75% of Queensland's total population.

Queensland Club Membership

Historical Trends

At the heart of any golf club is club membership. Over the past thirty years demand for golf club membership in Queensland has grown by approximately 80% and is reasonably consistent with the growth rate seen in the wider population.

The annual average growth rate of 2% recorded since 1977 is near three times greater than the national average of 0.7% over the same period.

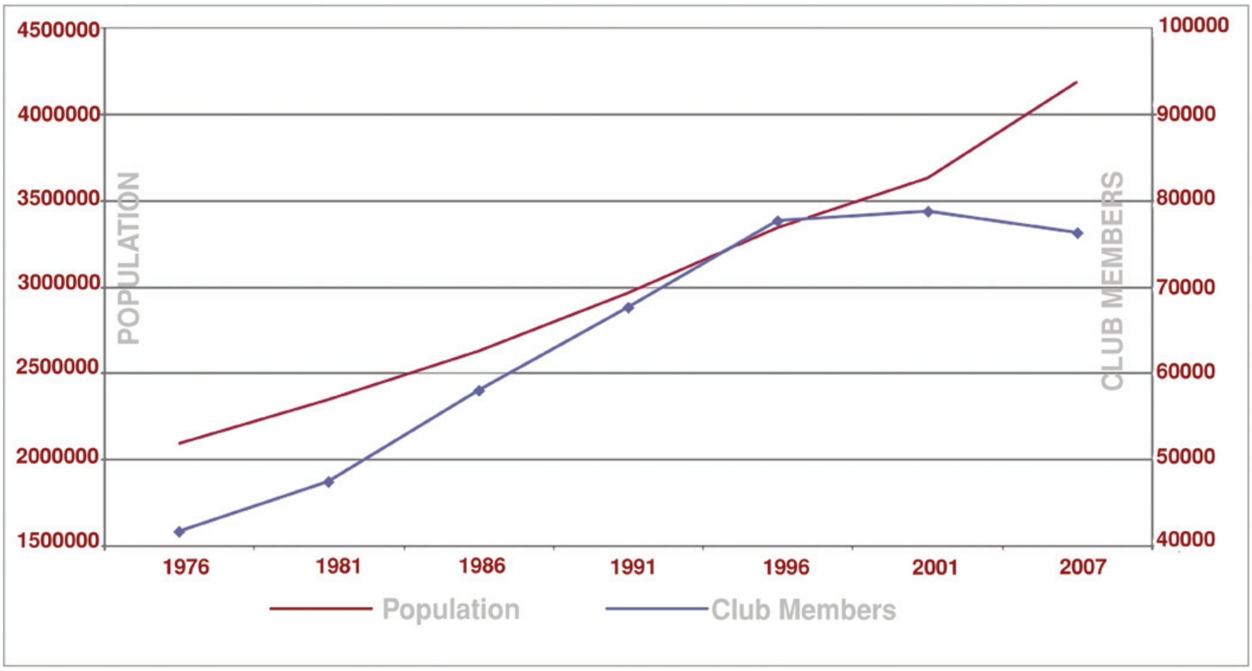
In the last decade however, from 1998 to 2008, this rate has slowed, particularly in the second half of this 10 year period. At the end of 1997 demand for club membership had reached over 78,000, and by 2002 membership had grown by a further 4% to reach a state peak of 81,700.
From that 2002 peak, numbers have declined by 8% and by year end 2008, approximately 75,000 people were members of golf clubs in Queensland.

Membership growth vs population growth

Like-year population and club membership numbers are plotted on the following graph. As the graph illustrates, club membership trend closely followed the growth trend in the wider state population up until 2001 with an almost perfect (1.0) correlation ratio of +0.99.

Since this time, despite continued population growth, club membership numbers have declined, with the correlation relationship now exactly the inverse to total population growth at negative 1.0.

Population and Club Membership Growth – 1976 to 2007



SOURCE: ABS; Regional Population Growth, Australia, Cat. No. 3218.0 (1996 to 2006); Population by Age and Sex, Regions of Australia, Cat. No. 3235.0 (2007) & Golf Australia.

State Golf Participation Rate

An overview of the wider participation levels in golf help to put these club trends into perspective. The level of participation in golf (and in all sports) is measured by the Australian Sports Commission (ASC) via its annual Exercise, Recreation and Sport Survey (ERASS).

The ASC have reported the following levels of total participation in golf in Queensland since 2001, that is the number of people aged over 15 years of age who played at least one round of golf each year.

These results reflect all golfers, be they club members or social golfers.

The total participation in golf has grown by 13% over the period (against a 20% increase in total participation), as participation has averaged 6% of the population since 2003. The male participation rate is approximately 4 times that of females, averaging approximately 10%. The five year average of the total golf demand pool, reveals that club golfers account for approximately 40% of all golfers in Queensland.

Year	Male	Female	Total	Participation rate %	Club Golf %
2001	157,500	45,500	203,000	7%	40%
2002	180,700	49,500	230,200	8%	35%
2003	169,100	54,000	223,100	8%	35%
2004	185,600	29,500	215,100	7%	35%
2005	171,000	38,600	209,600	7%	36%
2006	143,700	38,800	182,500	6%	42%
2007	129,600	27,400	157,000	5%	48%
2008	184,000	46,300	230,300	7%	33%
% growth 01 - 08	17%	2%	13%	–	–
5 year average	162,800	36,100	198,900	6%	40%

SOURCE: ASC ERASS Reports

Club Membership Numbers by Gender

Club membership numbers in Queensland slightly exceeded 75,000 at the end of 2008. The male playing base accounted for 80% of this total, a consistent percentage of the total playing base for the past ten year period.

As reported, an 8% decline in member numbers has been recorded since membership numbers peaked in 2001.

This number is largely impacted by a greater fall in female member numbers with the male and female declines recorded being 7% and 12% respectively over this period. The rate of decline however has recently slowed, to be just 1% since 2004.

These numbers are summarised in the following table.

	2001	2004	2008	% change 01 - 08	% change 04 - 08
Male	64,755	60,685	60,144	-7%	-1%
Female	16,930	15,367	14,858	-12%	-3%
Total	81,685	76,052	75,002	-8%	-1%
% Male Membership	79%	80%	80%	–	–

Source: Golf Queensland

Geographic Regions

The following five general geographic regions have been established for this report.

The south east region of Queensland has been further split into four regions.

Region	Number of Clubs	Ave. Club Size	% of Market
Northern	46	183	11 %
Eastern	31	139	6 %
Central	6	24	< 1 %
Southern	23	41	1 %
Brisbane	17	999	23 %
Sunshine Coast	34	426	19 %
Gold Coast	27	528	19 %
Other SEQ	68	232	21 %
Total SEQ	146	421	82 %
Total QLD	252	299	100 %
** Refer Addendum - page 32 - for lists of clubs within each geographical region.*			

Source: Golf Queensland

Club Membership Numbers by Region

Reviewing membership numbers by region identifies that different trends are evident at the sub market level.

Equal declines are evident in the large south east Queensland region, with above average losses seen in both the Brisbane metropolitan market, as well as the Gold Coast.

The Sunshine Coast region has been the standout performer for the state, recording +9% growth since 2001, as population in the region grew by 23%.

In other regional areas the Central and Southern areas have seen the greatest falls in club membership, declining by 29% and 26% respectively, as population numbers in regional inland areas grew by 4%.

As mentioned previously, a noticeable slowing of the state-wide trend has occurred since 2004 across all regions.

The Brisbane market has recorded a further 4% fall in member numbers with most other areas of the state (except for the Southern region) stabilising somewhat. The growth rate recorded in the Sunshine Coast market also noticeably slowed from +9% to +1%.

In terms of gender mix, most regions are consistent with the state average, though slightly greater female share is evident in the Gold Coast and Southern regions.

Membership numbers by region for the period 2001 to 2008 are summarised in the following table:

Region	2001	2004	2008	% Change 01 - 08	% Change 04 - 08	Av % Male
Brisbane	19,942	17,530	16,782	-16%	-4%	80%
Gold Coast	16,276	14,232	14,252	-12%	0%	78%
Sunshine Coast	13,261	14,300	14,467	+9%	+1%	79%
Other SEQ	16,864	15,840	15,825	-6%	0%	82%
Total SEQ	66,343	61,902	61,326	-8%	-1%	80%
South	1,279	1,127	943	-26%	-16%	75%
East	4,829	4,182	4,214	-13%	1%	82%
Central	201	142	142	-29%	0%	86%
North	9,033	8,699	8,377	-7%	-4%	80%
Total	81,685	76,052	75,002	- 8%	-1%	80%

Source: Golf Queensland

Regional Share

Given the large difference between the respective sizes of the geographic markets in Queensland, the percentage movement results reported can be misleading as to identifying what the actual key source market/s behind the reported results are.

The following table identifies the reported difference in numbers from 2001 to 2008 and the share of the difference that this number represents.

As highlighted below, over 75% of the total losses have been recorded in the metropolitan Brisbane and Gold Coast markets with 25% of the losses coming from regional markets.

Region	Number of Clubs	Variance 2001 to 2008	% Share of Variance
Brisbane	17	3,160	47%
Gold Coast	27	2,024	30%
Sunshine Coast	34	(1,206)	(18%)
Other SEQ	68	1,039	16%
Total SE Qld	146	5,017	75%
South	23	336	5%
East	31	615	9%
Central	6	59	1%
North	45	656	10%
Total	251	6,683	100%

Source: Golf Queensland

Key Points - Club Membership

- Over the past thirty years demand for golf club membership in Queensland has grown by approximately 80%.
- The annual average growth rate of 2% recorded since 1977 is near three times greater than the national average of 0.7% over the same period as population increases have continued to increase the general demand pool.
- At the end of 1997 demand for club membership had reached over 78,000 people and by 2002 membership had grown by a further 4% to reach a state peak of 81,700 people.
- From that peak, numbers have since slid by approximately 8% and approximately 75,000 people are now members of golf clubs in Queensland.
- The average participation rate for golf in the six year period to 2007 was approximately 7% with the male participation rate of 10% being approximately 4 times that of females.
- For the more recent period 2004 to 2007, this participation rate has fallen by almost a full percentage point to 6%, as generally less of both males and females social golfers have participated in golf.
- Club membership numbers in Queensland slightly exceeded 75,000 at the end of 2008.
- The male playing base accounted for 80% of this total, a consistent percentage of the total playing base for the past ten year period.
- An 8% decline in member numbers has been recorded since membership numbers peaked in 2001.This number is largely impacted by a greater fall in female member numbers with the male and female declines recorded being 7% and 12% respectively over this period. The rate of decline however has recently slowed, to be just 1% since 2004.
- The Sunshine Coast region has been the standout performer for the state, recording +9% growth since 2001 and 1% since 2004.
- Over 75% of the total losses have been recorded in the metropolitan Brisbane and Gold Coast markets with 25% of the membership losses coming from regional markets, as the wider market mix settled at 82% - 18% for these regions.

Queensland Club Membership Attrition Statistics

Introduction

As outlined in the previous section, demand for golf club membership in Queensland is currently in decline. Notwithstanding the importance of generating new demand, in the current climate the annual retention of members in golf clubs is now as equally important.

Reported year end membership numbers are the annual net result of current members plus new members less resigned members. The previous section highlighted the recent trends in this number, being an 8% and 1% decline since 2001 and 2004 respectively.

Until now, the number of new and resigned members recorded each year have never been formally measured, nor has the resultant calculation of the state's annual attrition rate been performed, (that being the number of club members who resign their membership each year divided by total current members).

Using the annually reported Golf Queensland membership numbers, and new member numbers sourced from GolfLink, the state's annual club member attrition rate is outlined in this report for the first time.

Once this calculation is performed, Golf Queensland and its member clubs will better understand what level of real, new demand exists for golf club membership as well as the size of the annual resignation pool. Having such information available will help the industry develop relevant strategies to address both issues.

Recent data from 2006 to 2008 has been utilised, with a 3 year average reported to smooth out any one year irregularities.

New Members

New members are a key demand source for golf clubs in Queensland. New member data for the period 2006 to 2008 provided from Golflink identifies the current level of new member demand evident in Queensland's golf clubs.

As outlined below, the level of new membership demand in Queensland golf clubs has averaged 17% over the past three year period, being approximately 12,500 new members.

The Gold Coast and Other SE Qld markets has generated above average new demand levels of over 20%, with the SE Qld market accounting for over 80% of new demand. Above average new demand levels are also evident in the East and Northern regions of the state.

The table opposite summarises this information.

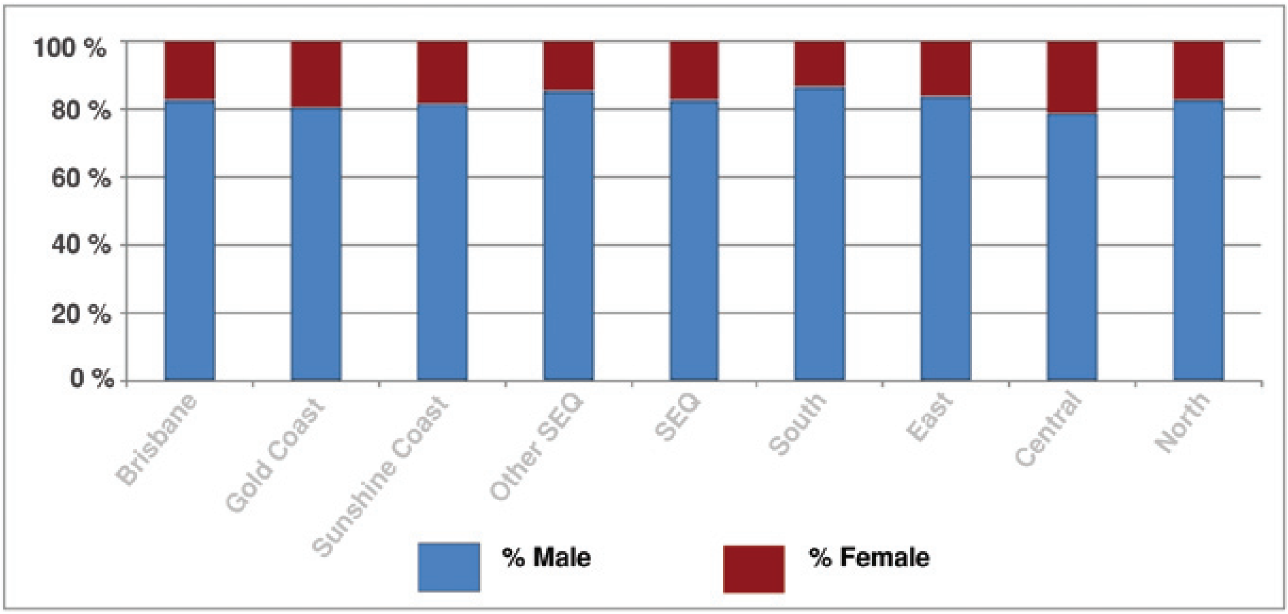
Region	2006	2007	2008	3 year Average	% of Membership	% of new Membership demand
Brisbane	2,211	1,674	1,815	1,900	11%	15%
Gold Coast	2,851	3,237	2,789	2,959	21%	23%
Sunshine Coast	2,009	2,526	2,279	2,271	16%	18%
Other SEQ	3,093	3,289	3,247	3,210	21%	25%
Total SEQ	10,164	10,726	10,130	10,340	17%	81%
South	62	61	70	64	6%	1%
East	670	776	1,021	822	19%	6%
Central	12	22	24	19	13%	0%
North	1,241	1,555	1,731	1,509	18%	12%
Total	12,149	13,140	12,976	12,755	17%	100%

Source: Golf Queensland

The makeup of these new demand numbers in terms of gender is also of interest. For the past ten year period, male members have accounted for approximately 80% of total membership demand.

In the past three years the percentage of new members who are male has been 83%. The Other SE Qld region and the Southern region, with new demand male gender percentages of 86 % and 87 % respectively, exceed this average.

New Member Gender Mix



The table and graph above indicate that there is genuine new interest in membership of Queensland golf clubs each year, with recent trends indicating that the majority of this demand is male.

Lost Members

The opposite of new member attraction is lost members. Having identified the number of new members recorded each year, the number of members lost each year can subsequently be calculated.

Lost member data for the period 2006 to 2008 identifies that there is currently a large amount of annual attrition occurring within Queensland's golf clubs. As outlined below, the level of lost membership demand in Queensland golf clubs has averaged 17% over the past three year period, being approximately 12,600 lost members.

This rate, being slightly greater than the new member rate, explains why total membership numbers have declined by 1% over the three-year period measured.

The Gold Coast and Other SE Qld markets has generated above average lost member levels of over 20%, with the SE Qld market accounting for over 81% of all lost members. The table below summarises this information.

Region	2006	2007	2008	3 year Average	% of Membership	% of lost Membership
Brisbane	2,248	1,764	2,044	2,019	12%	16%
Gold Coast	2,230	3,655	2,716	2,867	20%	23%
Sunshine Coast	1,840	2,808	1,882	2,177	15%	17%
Other SEQ	3,093	3,214	3,030	3,112	20%	25%

Region	2006	2007	2008	3 year Average	% of Membership	% of lost Membership
Total SEQ	9,411	11,441	9,672	10,175	17%	81%
South	109	93	91	98	10%	1%
East	442	716	1,033	730	17%	6%
Central	0	46	20	22	15%	0%
North	1,097	1,735	1,966	1,599	19%	13%
Total	11,059	14,031	12,782	12,624	17%	100%

Source: Golf Queensland, JBAS

Market Attrition Rate

The table below summarises the respective performance of each market in terms of overall positive and negative member movement. It indicates that no one market, other than the small Southern market, stands out in terms of having greater retention success or measurably less attrition occurring.

The table below summarises the new and lost members as a percentage of total membership, and the variance that results from lost members being greater than new members (a negative variance) or vice versa.

Region	% New Members	% Lost Members	Variance	Outcome
Brisbane	11%	11%	-1%	Negative
Gold Coast	21%	20%	1%	Positive
Sunshine Coast	16%	15%	1%	Positive
Other SE Qld	21%	20%	1%	Positive
Total SE Qld	17%	17%	-1%	Positive
South	7%	10%	-4%	Negative
East	18%	17%	1%	Positive
Central	13%	15%	-2%	Negative
North	18%	19%	-1%	Negative
Total	17%	17%	-1%	Negative

Source: Golf Queensland, JBAS

Attrition by Gender

Analysis of the same data by gender does however identify that some meaningful movement is occurring in each of the different markets. The Northern and Southern markets have each recorded opposite trends when comparing results by gender, with both having positive female retention ratios and negative male ratios.

In the key south east market, female retention ratios are also in the positive, as negative male numbers pull back the performance of the total market.

Regional movement by gender is illustrated in the following maps.

Northern Region

Female	+0.8%
Male	-4.2%

Central Region

Female	+4.8%
Male	-2.6%

Eastern Region

Female	-2.8%
Male	-1.7%

Southern Region

Female	-6.5%
Male	-4.1%

South East

Brisbane Female	+1.8%
Brisbane Male	-2.9%
GC Female	+1.7%
GC Male	-2.9%
S'Coast Female	+0.8%
S'Coast Male	-2.2%
Other SE Female	+0.8%
Other SE Male	-2.7%

Analysis by club Size

Undertaking a similar type of analysis by club size helps identify whether different size clubs have different retention and attrition characteristics.

Only clubs with members at the end of 2008 have been included in the following analysis.

Club Size	3 year Average – New Members	% of Membership
< 300 members	2,398	15%
300 to 700	3,523	18%
700 to 1000	2,336	16%
> 1000 members	2,403	10%

Source: Golf Queensland, JBAS

Lost Members by club size

The opposite of new member attraction is lost members. Having identified the number of new members recorded each year by club size, the same can be calculated for the number of members lost each year.
These results largely mirror the new member results.

The 300 to 700 member size club recorded the largest number of lost members, when measured as a percentage of total membership, with the 1000 plus member clubs recording the lowest level of attrition at 9% of membership.

Club Size	3 year Average – Lost Members	% of Membership
< 300 members	2,466	15%
300 to 700	3,610	19%
700 to 1000	2,409	16%
> 1000 members	2,291	9%

Source: Golf Queensland, JBAS

Key Points - Club Attrition

- The level of new membership demand in Queensland golf clubs has averaged 17% over the past three year period, being approximately 12,500 new members.
- The Gold Coast and Other SE Qld markets has generated above average new demand levels of over 20%, with the SE Qld market accounting for over 80% of new demand.
- Over 75% of the total membership losses have been recorded in the metropolitan Brisbane and Gold Coast markets with 25% of the losses coming from regional markets.
- For the past ten year period male members have accounted for approximately 80% of total membership demand.
- The Other SE Qld region and the Southern region have recorded new male members percentages of 86% and 87% respectively in the past three year period.
- The level of lost membership demand in Queensland golf clubs has averaged 17% over the past three year period, being approximately 12,600 lost members per year.
- The Gold Coast and Other SE Qld markets has generated above average lost member levels of over 20%, with the SE Qld market accounting for over 81% of all lost members.
- The Northern and Southern markets have each recorded opposite trends when comparing results by gender, with both having positive female retention ratios and negative male ratios.
- In the key south east market, female retention ratios are also in the positive, as negative male numbers pull back the performance of the total market.
- The club size that has recorded the highest level of new members, when measured as percentage of total membership, is the 300 to 700 member category with a 3 year average of 18% new member demand.
- The 1000 plus member clubs deliver the lowest level of new member demand at an average 3 year rate of 10% of total members.
- With an annual average of 19%, the 300 to 700 member size clubs have recorded the largest number of lost members, when measured as a percentage of total membership.

Member Retention Strategies

Summary

Overall, the analysis of membership dynamics has revealed that there is significant annual attrition occurring within Queensland's golf clubs.

Importantly however there is also evidence of significant annual new demand for club membership. Whilst this demand may have been supported by the above average population growth experience across the state for the last 20 years, should the annual attrition be reduced, and new member demand sustained, all parts of the club industry stand to benefit.

This is a significant opportunity for clubs and intuitively it is proposed that retaining existing members is an easier strategy than recruiting new ones.

This chapter also outlines some suggested strategies that clubs should have in place to better increase their chances of reducing member attrition and improving member retention.

Club Survey Results

As part of this study, a club survey was conducted of clubs across Queensland; specifically seeking information about the retention strategies they currently employ at their clubs.

Fifty five clubs responded to the survey, being a 20% response rate.

Approximately 57% of respondents were from clubs located in the south east region of Queensland. Results from this study are referenced in the relevant sections on the following pages.

A number of retention strategies are outlined that will assist in reducing membership attrition.

Member satisfaction

This requirement is a much overlooked reality of club membership. Members will remain members as long as they are satisfied with what they are receiving from the club. This goes to the value proposition that the annual fee makes, the general level of service received, and satisfaction with the key areas of the club. In order to accurately gauge member satisfaction, regular surveying should occur. Such surveys will gather feedback about club facilities and will provide the club with regular opportunities to address any issues that arise.

It is recommended that clubs formally survey their members at least every two years.

The wider market

Demand for golf club membership is a function of local population numbers. It is therefore vital that you understand what is happening with regard to population numbers in the region that your club services as this information will help you tailor membership offers that best suit the "new" market. Population growth naturally indicates a growing demand pool but the important information to gather is what the make-up of this growth is. It may be retiring couples, it may be young families. Both require different strategies to attract them to club membership. Knowing your market also extends to clubs in your immediate area. Their performance will help to put your performance in some market context.

100% of surveyed clubs stated that they understood what was happening in terms of population growth in their immediate area.

Member playing patterns

A regular proxy for member satisfaction is playing frequency - as frequency typically impacts the club's value proposition. If a member is playing a lot of golf, they will more likely be more satisfied than a member who is not playing a lot of golf. The project survey, using a rating scale of 1 (poor) to 5 (very well), asked how well clubs understand their member playing patterns. The average survey response being 3.6.

Despite this finding and the stated knowledge of playing patterns, 76% of surveyed clubs reported that they do not periodically contact members with low facility utilisation.

Given the link between playing frequency and satisfaction, it is recommended that clubs regularly track member playing frequencies and communicate with those with low frequency.

The club product and the value proposition

A key determinant to club membership is whether the cost of such membership reflects the quality of the facilities to be enjoyed. In almost all cases, pricing must be determined by the value offered to the member, not the cost to deliver the service. Should the latter be the reason for making pricing decisions, clubs are at risk to value and price being separated and not being reflective of one another.

The project survey asked clubs whether they host new member evenings and/or special member events.
The survey found that currently 50% of clubs host new member events and that 60% of clubs conduct special events for members.

In order to increase the perceived value of club membership (over and above the average cost to play), it is recommended that all clubs conduct both new member and existing member events throughout the year.

As many clubs in Queensland rely on public golf green fees to supplement their annual revenue streams, attention must also be given to the cost of public play versus the cost of membership. Ignoring this comparison and not having appropriate payment options in place will only encourage attrition.

It is recommended that clubs understand the cost of public golf versus the average cost of member play and in order to make membership appealing, have payment options available that do not require significant lump sum transactions to be made.

Why members are leaving

The reason for attrition is that members choose to leave a club. The question that needs to be asked is why? The project survey asked clubs what the top four stated reasons for leaving the club were. They were:

- Change in residential location: 27%
- Time constraints: 26%
- Increasing family commitments: 25%
- Not receiving value for money: 13%

An inflexible club offer, old age and health reasons were the other less noted reasons for resignation.

These survey findings identify where the opportunities to reduce attrition might be. Little can done about attrition caused by moving residential locations as past industry research has found that 80% of golfers will travel only up to 30 minutes to play regular golf. Also little can be done by the club about age and health issues.
Increasing time constraints and family commitments (may be one and the same reason for some people) are however two reasons that do encourage further questioning. Is it that there is no time available to play at all or is it that there are currently not enough adequate opportunities/events in the time that is available to play?
This feedback can be obtained via a resigned member's survey, which probes for more detail behind the decision to resign. It is this detail, when consistently collected and analysed, which could potentially reveal an opportunity for a club to retain more of its members.

The project survey asked clubs whether they surveyed resigned members. It found that currently only 16% of clubs survey their resigned members. This vital information is therefore not being collected at a majority of clubs across the state and as a result, clubs do not know what potential actions or club offers could have convinced a resigned member to actually retain their membership.

In an ideal club world, no member should leave because they haven't received value for money. It is the club's responsibility to ensure to the best of its ability that this occurs.

It is recommended that all clubs undertake resigned member surveys, seeking to understand the reason for resignation and whether the club could have done anything to help them keep their membership.

Member survey detail

The following information should be collected and measured in any member resignation survey.

- Age
- Gender
- Membership category
- Length of membership at club
- Handicap
- Level of playing frequency recorded in their last year of membership
- General level of satisfaction in the final year of their membership
- Reason for leaving

Once collected trends that may materialise can be questioned and then potentially actioned (new offers, adjusted terms etc). Such a process will ensure that the club's membership offer (or offers) will always remain reasonably up to date with member needs and expectations.

Approximately 80% of clubs surveyed stated that they do retain resigned member records. It is therefore recommended that clubs review this information to determine whether any actionable trends by age, gender, category or length of membership may be apparent , that they then be questioned as to possible cause and actioned accordingly.

Transition of junior members

The successful transition of junior members to full members is regarded as another key member retention outcome. As is often stated, junior golfers are the future of the game. Industry research has found that once exposed to the game at a junior level, take up rates in later life will be greater. This take-up will also be at a more capable (skill) level.

As more capable golfers play more golf and spend more money and become the core market for the industry, increased exposure of golf to juniors and there retention will benefit all involved with the game.
A number of basic strategies are available for club to increase their retention of junior golfers. The project survey asked clubs what strategies they pursued in order to better retain Junior members.

It found that:

- Staged increases in annual fees are offered by 56% of clubs
- The definition of "Junior" has been extended to a more modern and relevant age at 27% of clubs (e.g 24 years old)
- No additional "top up" joining fee is payable by a Junior member at 51% of clubs.

It is recommended that all clubs consider the above three strategies in order to increase retention of Junior members. Should clubs put all of the above member retention strategies in place, the level of annual membership attrition will likely reduce as the club better accommodates and satisfies its members.

Retention Checklist

The following checklist is provided so clubs can check what strategies they have in place, and what they need to address when considering member retention and attrition.

Tick	General Strategy
	Measure attrition on an annual basis. What gets measured gets acted on
	Communicate to all members on a regular basis
	Measure member rounds frequency
	Communicate direct with members with low frequency
	Survey your members at least every two years
	Consider your membership structures – are they relevant for today's market?
	Conduct resigned member surveys – what are they telling you?
	Conduct new and existing member events – the goal is to add value to the annual fee paid
	Know your market – both wider population and regional peers
	Ensure you have payment flexibility
	Limit barriers for transition from Junior to Adult membership
	Incentivise members to introduce new members

Survey Findings and Conclusion

The club survey undertaken as part of this project by Golf Queensland, and the responses received, provide further support for the effect of the above mentioned strategies.

Analysis of the data received enabled each club's attrition and retention rate to be calculated for the past 12 month period.

Notwithstanding the micro market challenges regarding product diversity, market supply and demand, and the positive impact of attrition with regard to waiting lists and entrance fee income, the analysis undertaken showed that those clubs who undertake more of the above practices are more likely to have lower attrition levels and greater levels of member retention than those clubs that do not.

Should clubs put all of the above member retention strategies in place, the level of annual membership attrition will likely reduce as the club finds itself able to better accommodate and satisfy the needs of its members.

A full version of the Study into membership Attrition and Retention at Golf Clubs in Queensland is available for download from the Golf Queensland website.

To download the report or read the report online visit:-

www.golfqueensland.org.au/reports

About JBAS

JBAS is acknowledged as one of Australia's leading providers of independent golf industry advisory services.

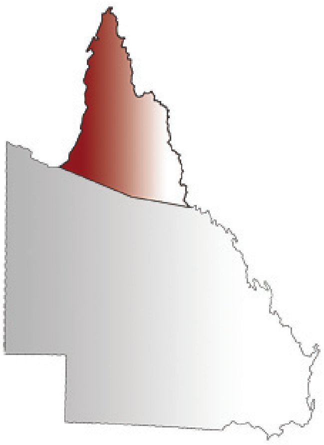
Jeff Blunden, the Director of JBAS, created and managed the Golf Advisory Business Unit for Ernst & Young from 2001 to mid 2006, before spending some time in roles with both Golf Australia and Troon Golf prior to formally creating JBAS in late 2008.

Jeff has undertaken almost all of the major industry research projects in recent years and has worked on a number of industry specific engagements for clients that include numerous golf clubs and administration bodies.

For more information on JBAS please visit www.jbadvisory.com.au

ADDENDUM - Clubs by region

Northern Region



Atherton	El Arish	Mackay	Ravenshoe
Ayr	Georgetown	Magnetic Is	Richmond
Babinda	Glenden	Mareeba	Rowes Bay
Black Springs	Gordonvale	Millaa Millaa	Sarina
Boulia	Greenvale	Mossman	Links Port Douglas
Bowen	Half Moon Bay	Mt Garnett	The Willows
Cairns	Home Hill	Mt Isa	Torrens Creek
Cardwell	Hughenden	Mystic Sands	Townsville
Carpentaria	Ingham	Palm Cove	Tully
Charters Towers	Innisfail	Paradise Palms	Turtle Point
Collinsville	Kurumba	Pioneer Valley	
Cooktown	Lavarack	Proserpine	

Eastern Region

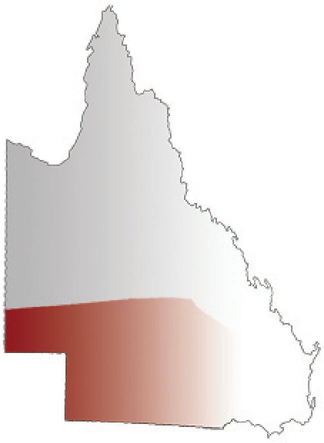
Alpha	Capricorn Golf Club	Middlemount	Tambo
Baralaba	Clermont	Miriam Vale	Theodore
Biloela	Duaringa	Moranbah	Tieri
Blackwater	Dysart	Moura	Town of 1770
Boyne Is Tannum Sands	Emerald	Mt Morgan	Wowan
Calliope	Emu Park	Muttaburra	Yeppoon
Capella	Gladstone	Rockhampton	Zilize
Capricorn Country	Gracemere Lakes	Springsure	

Central Region

- Barcaldine
- Blackall
- Ilfracombe
- Isisford
- Longreach
- Winton

ADDENDUM - Clubs by region

Southern Region



Augathella	Dulacca	Mitchell	Tara
Charleville	Dunkeld	Morven	Taroom
Chinchilla	Goondiwindi	Quilpie	Wandoan
Condamine	Inglestone	Roma	Yowah
Cunnamulla	Injune	St George	Yuleba
Dirranbandi	Miles	Surat	

South East Queensland Region

Brisbane	Sunshine Coast	Sunshine Coast	Gold Coast
Ashgrove	Beerwah	Murgon	Arundel Hills
Brisbane	Blackbutt	Nambour	Boomerang Farm
Gailes	Bribie Is	Nanango	Burleigh Palms
Indooroopilly	Caboolture	Noosa Springs	Canungra Army
Jindalee	Caloundra	Noosa Valley	Emerald Lakes
Keperra	Club Pelican	North Lakes	Coolangatta-Twd
McLeod	Cooroy	Pacific Harbour	Gold C. Burleigh
Nudgee	Goomeri	Peregian Springs	Gold Coast CC
Nudgee College	Gympie Pines	Pine Rivers	Helensvale
Oxley	Headland	Proston	Hope Island
Pacific	Horton Park	Samford Valley	Lakelands
Redcliffe	Hyatt Regency	Tewantin Noosa	Palm Meadows
Royal Queensland	Kilcoy	Tin Can Bay	The Colonial
Sandgate	Kilkivan	Twin Waters	Parkwood
Virginia	Kingaroy	Wantima	Robina Woods
Wolston Park	Kumbia	Wondai	Royal Pines
Wynnum	Mt Coolum	Woodford	Sanctuary Cove
			Southport
			Surfers Paradise
			Tallai Country
			Tallebudgera
			Tally Valley
			Tamborine Mt
			The Glades
			The Grand
			Twin Towns

ADDENDUM - Clubs by region

South East Queensland - Other				
	Allora	City-Toowoomba	Inglewood	North Stradbroke
	Bargara	Clifton	Innes Park	Oakey
	Bay Islands	Coral Cove	Ipswich	Oakwood Park
	Beaudesert	Crows Nest	Isis	Pittsworth
	Bell	Dalby	Jandowae	RAAF Amberley
	Biggenden	Eatonvale	Karana Downs	Redland Bay
	Boonah	Eidsvold	Killarney	Riverlakes
	Boonooroo	Esk	Kooralbyn Valley	Rosewood
	Borneo Barracks	Fraser Lakes	Laidley	Sandy Gallop
	Brookwater	Gainsborough	Logan Country	Stanthorpe
	Bundaberg	Gatton Jubilee	Lowood	Texas
	Burrum District	Gayndah	Maryborough	Toogoolawah
	California Creek	Gin Gin	Millmerran	Toowoomba
	Carbrook	Goombungee	Monto	Village Links
	Castles Road	Hattonvale	Mt Warren Park	Wallangarra
	Cecil Plains	Hervey Bay	Mt. Perry	Warwick
	Chambers Pines	Hills Education	Mundubbera	Windaroo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